

Coventry University



## DOCTOR OF PHILOSOPHY

### **Assessing the Contribution of Social Capital to the Inclusion of Rural Migrant Workers within Urban Communities in Shandong Province, China**

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# **Assessing the Contribution of Social Capital to the Inclusion of Rural Migrant Workers within Urban Communities in Shandong Province, China**

**Fan He**

**PhD**

**May 2015**



***A thesis submitted in partial fulfilment of the University's  
requirements for the Degree of Doctor of Philosophy***

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**By**

**Fan He**

***A thesis submitted in partial fulfilment of the University's requirements for the Degree of Doctor of Philosophy***

**May 2015**

**Coventry University**

**in association with the Royal Agricultural University**



ROYAL AGRICULTURAL UNIVERSITY  
CIRENCESTER

### **Ethical Approval Certificate**

The details provided in the 'Ethics Approval Form' by Fan He was approved by the Research Committee before commencement of the research. The document is attached to this thesis.

This is to certify that the research undertaken and completed by the candidate and reported in this thesis has satisfied the requirements of the University of Coventry and Royal Agricultural University's Ethical Principles and Procedures for Teaching and Research and the Code on Good Research Practice.

Professor Meriel Moore-Colyer  
Director of Research  
Royal Agricultural University

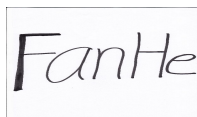


## Declaration

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A handwritten signature in black ink, reading 'FanHe', enclosed in a thin black rectangular border.

Fan He

## Acknowledgment

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## ABSTRACT

This study provides new insights into social capital theory based on an analysis of the rational strain of social capital theory as integrated in research into private companies and the Marxist strain of social capital theory as integrated into the research of state owned enterprises (SOEs) under the Chinese political economic system. Institutional and organizational factors and interactions between people in state owned enterprises and private companies have been shown to affect individuals' social capital. A primary objective of this thesis was to study the impact of social capital in different types of companies on the inclusion of rural migrant workers within urban communities. A case study approach has been used with data gathered in Zoucheng city and Rizhao city in Shandong Province, where one large SOE and four private companies are located. The study revealed that social capital in private companies acts on the premise of mutual benefit and reciprocity. The study analysed the reasons why private companies had an inclusive environment which provided equal opportunities and career progression for rural migrant workers. Employees in state owned enterprises are seen to be less efficient than those in private companies – the causes have been analysed. Barriers to entry to state owned enterprises are also seen to be higher for rural migrant workers. Snyder's Hope Theory has been applied, for the first time, in the context of social capital, to examine employees' social capital with respect to their hopes for career progression in both the SOE and private companies. The empirical results demonstrate that a closer relationship between employers and employees creates more social capital and cohesion within private companies compared with state owned enterprises and contributes to employees' aspirations for career progression, as well as indicating that potentially good career progression for employees depends on an effective social structure in companies which contributes to the improvement of "weak ties". The norm of reciprocity such as "home culture" in private companies motivates employees to expend effort to achieve their goals and develop their aspirations. This norm of reciprocity in private companies could be viewed as propitious to the solution of the problems of collective actions and in further improving the economic and political performance of society. Thus, it is considered advisable for national macro-economic policy to encourage the development of companies that possess this kind

of social capital to which the less hierarchical management system has contributed, as well as a close relationship between leaders and their employees (for example linking social capital), cohesive staff networks promoted by the company leaders and a corporate culture of reciprocity as the norm.

In addition, the increase in educational attainment of people from rural areas could aid them in independently seeking employment in urban society. College graduates from the countryside gain easier access to heterogeneous connections within companies. With an improvement in educational attainment, rural workers, especially those with junior college educational accreditation, such as that obtained from a vocational technical college, were found by the research to be most urbanised. Enhancing vocational skills training and cultivating skilful workers helps improve relations and mutual trust within companies, which further assists rural migrant workers' work performance and inclusion within urban society.

# Table of Contents

Library Declaration and Deposit Agreement.....	2
The ethical approval certificate.....	3
Declaration.....	4
Acknowledgment.....	5
Abstract.....	6
CHAPTER ONE - Introduction .....	26
1.1 Introduction to the study.....	27
1.2 Study objectives.....	35
1.3 Outline of research methodology.....	36
1.4 Thesis outline.....	38
CHAPTER TWO - Theoretical philosophical foundation.....	39
CHAPTER THREE – Literature review.....	47
Introduction.....	48
3 Literature review.....	49
3.1 Analysis of the collectivist centrally planned economy relevant to state owned enterprises .....	51
3.2 Macro level analysis of the democratic strain of social capital from the perspective of the political economic system in China .....	62
3.2.1 Democratic centralism and Chinese people's collectivist spirit.....	63
3.2.2 The role of “bonding”, “bridging” and “linking” forms of social capital in democratic community building.....	69
3.2.3 Individualism vs Collectivism in China.....	71
3.2.4 Leadership styles in Chinese companies.....	74
3.2.5 Discussion concerning ways to accumulate social capital.....	75
3.3 Macro level analysis of socialist market economic system from the perspective of the “organic solidarity” and the rational strain of social capital in the context of the Chinese political economic system.....	77

3.4	Internal migration in China.....	83
3.5	Social capital and its impact on rural migrants.....	89
3.6	The theoretical framework of social capital.....	97
3.6.1	Interaction and distance.....	97
3.6.2	Norms.....	99
3.6.3	Different levels of social capital.....	100
	Literature review: summary.....	105
	CHAPTER FOUR - Research methodology and pilot study.....	109
	Introduction.....	110
4.1	Research design.....	111
4.2	Clarification of how the research methods help in achieving research aims and objectives of this thesis and philosophical justification for the usage of these research methods of the research methods.....	113
4.3	The theoretic background of research methodology for interview analysis...	117
4.4	The design of the questionnaire.....	122
	Research methodology and pilot study: conclusion.....	140
	CHAPTER FIVE - Data analysis and discussion.....	141
	Introduction.....	143
5.1	Career progression.....	155
5.1.1	Employees' career progression in private companies versus the state owned enterprise.....	155
	Data analysis.....	157
5.1.1.1	Comparing a state-owned enterprise to private companies regarding their employees' opportunities for career progression.....	158
5.1.1.2	Who had actually helped people who had enough career progression available in private companies the most so far?.....	160

5.1.1.3 Who was likely to give people who had enough career progression available in private companies the most benefit in their career progression?.....	161
5.1.1.4 Who do people who had enough career progression available in private companies hope will give them most assistance in their career progression?.....	162
5.1.1.5 The strength and direction of the linear relationship between the top few choices of people who had career progression available in private companies.....	163
Discussion.....	164
5.1.2 The perceived importance of company culture and systems on career progression from different types of companies and the importance of employees' cohesion on the hope and career progression of employees who did not perceive they experienced sufficient career progression.....	171
Data Analysis.....	173
5.1.2.1 The perception of the link between company culture and career progression between employees in private companies and the state owned enterprise.....	173
5.1.2.2 The perception of the link between company system and career progression between employees in private companies and the state owned enterprise.....	173
5.1.2.3 For those who felt they did not have enough career progression within the state owned enterprise, which group did they hope would aid them and who was likely to give them most assistance in their career progression?.....	174
Discussion.....	176
5.1.3 Groups that provided support and assistance and who influenced career progression within enterprises .....	179
Data analysis.....	179
5.1.3.1 Comparison of employees in the SOE who had career progression with those who had not, and the respective groups contributing and enabling such progression.....	180

5.1.3.2 A comparison of employees in private companies who had career progression with those who had not, including the respective groups which contributed and enabled such progression.....	182
Discussion.....	183
5.2 - The role and relevance of relationship networks in organisations with respect to registration within the hukou system .....	184
5.2(1) - Strong networks of informal relationships can only be positively associated with leadership activities in companies when there is flexible employment and opportunities for promotion to all talents. ....	184
5.2(2) - Relationship network of staff changing from “agricultural to non-agricultural” status .....	185
5.2.1 What kind of social resources do employees from different household registration have more of?.....	187
5.2.2 Which kind of social resources are likely to contribute most to different household registration groups with respect to their future career progression?.....	191
5.2.3 What kind of social resources do different household registration groups hope they will receive to help them in their career progression?.....	193
Discussion.....	195
5.3 An analysis of social capital from the perspective of power and control in the SOE and private companies and an exploration of the Marxist strain of social capital in the SOE.....	205
Data analysis.....	208
5.3.1 The perception of control in the state owned enterprise and private companies.....	209
5.3.2 Sense of belonging.....	211
5.3.3 Power to make important decisions in the state owned enterprise and private companies.....	212



Discussion.....	214
5.4 The analysis of trust between registration (hukou) groups in organisations and an exploration of the rational strain of social capital in private companies.....	216
Data analysis.....	219
5.4.1 Comparing the state-owned enterprise with private companies regarding mutual trust between people with a non-agricultural hukou and people with an agricultural hukou.....	219
5.4.2 - Urban residents trusted rural migrant workers slightly more than rural migrant workers trusted urban residents.....	220
5.4.3 – Young people’s attitude towards rural migrant workers has become more positive.....	221
5.4.4 – Comparing groups of people with different household registrations regarding mutual trust between people with a non-agricultural hukou and people with an agricultural hukou.....	221
5.4.5 People who agreed that most people working in the company could be trusted were positively related to people who agreed that most people in the company were willing to help if they needed it.....	222
5.4.6 Rural migrant workers think urban citizens are willing to socialise with them more in private companies.....	223
Discussion.....	224
5.5 Job Satisfaction with respect to educational attainment, income, trust and control.....	228
Data Analysis.....	229
5.5.1 With an increase in the length of education, the degree of satisfaction of people in their work was lower in private companies.....	230

5.5.2 People with a higher income, generally, had a higher satisfaction rate in their jobs.....	230
5.5.3 Difference in trust between education levels - people with higher education trusted people more than people with a lower educational attainment.....	231
5.5.4 Rural workers' social trust was also significantly higher as education levels increased.....	231
5.5.5 People who are communist party members have more power to make important decisions that could change the course of their life.....	231
5.5.6 People who were communist party members had stronger rights of speech/hold opinions in their working environment.....	232
5.5.7 Rural workers who were communist party members had stronger rights of speech in their working environment in private companies. ....	232
5.5.8 Rural workers who were communist party members had more power to make important decisions which could change the course of their life in private companies.....	232
Discussion.....	233
5.6 Interaction with respect to registration within the hukou system.....	235
Data analysis.....	237
5.6.1 There was more interaction for staff changing from “agricultural to non-agricultural” status in private companies and the state owned enterprise.....	237
5.6.1.1 The bonding social capital of the staff with “agricultural household registration” status was high.....	237
5.6.1.2 Bridging social capital for rural workers was higher in the private companies.....	238
Discussion.....	240

5.7 Influences of pre-existing urban residents with respect to job opportunities for rural migrant workers.....	241
Data Analysis.....	242
5.7.1 Non-rural migrant workers contributed the economic wellbeing and welfare of staff with “agricultural household registration” and brought skills to them more often in private companies than in the state owned enterprise.....	243
5.7.2 Rural workers, who agreed and agreed strongly that non-rural migrant workers contributed their economic welfare and brought skills to them, were assisted in learning skills from non-rural migrant workers.....	243
5.7.3 The evaluation of urban citizens and rural workers' self-assessment.....	244
5.7.3.1 The evaluation of urban citizens by rural worker.....	244
5.7.3.2 Rural workers' self-assessment.....	244
5.7.4 A larger percentage of rural migrant workers (97.87%) in the private companies were willing to let other people know that they were from a rural area.....	246
5.7.5 A larger percentage of rural migrant workers (79.64%) in the private companies liked to socialise with urban citizens.....	246
5.7.6 Job opportunities.....	246
5.7.6.1 How did rural workers first come to the city to seek a job?.....	246
5.7.6.2 How did rural workers find their first job?.....	247
Discussion.....	248
5.8 Identify the motivation of rural migrants moving to urban communities.....	250
Data analysis.....	252
Analysis of the questionnaire data.....	253

5.8.1 The analysis of reasons why rural workers migrate to cities.....	253
5.8.1.1 The important reasons why rural workers migrate to the city.....	253
5.8.1.2 How does educational attainment influence drivers motivating rural migrant workers to migrate to cities?.....	254
5.8.1.3 How does gender influence drivers motivating rural migrant workers to migrate to cities?.....	255
5.8.2 To what extent have rural workers achieved their aims in the city?.....	255
5.8.3 To what extent do rural workers believe they will achieve their hopes for the future?.....	256
5.8.3.1 The extent to which rural workers believed they would achieve their hopes for the future.....	257
5.8.3.2 How did educational attainment influence rural workers' hopes for their achievement in the city in the future?.....	257
5.8.4 Rural workers' motivation to stay in the city.....	257
5.8.5 Rural workers' self-perceived ID as urban or rural and the analysis of reasons for this.....	258
5.8.5.1 Rural workers' self-perceived ID .....	258
5.8.5.2 The reasons why some rural workers regarded themselves as still rural or partly urbanised.....	260
5.8.6 Willing to review you were from country – would rural migrant workers like to be considered urban? Together with an analysis of reasons for this.....	261
5.8.7 Would rural migrant workers who regarded themselves as still rural or partly urbanised like to return to the countryside to work or to continue working in the city?.....	263

5.8.8 Communication behaviour between rural workers and urban citizens.....	265
5.8.9 An analysis of the benefits and influences of urbanisation and factors promoting a good life for rural migrant workers.....	266
Interview analysis.....	270
5.8.10 An analysis of drivers for urbanisation.....	270
5.8.11 An analysis of rural migrants' difficulties brought about by urbanisation....	271
Discussion .....	273
5.9 – Rural migrant workers' working environment with respect to their gender.....	276
Data analysis.....	277
5.9.1 Female rural migrant workers found that the environment at their work place more friendly.....	277
5.9.2 Males considered someone in a company was more likely to take advantage of them than females in the company.....	278
5.9.3 Females considered the relationships among people at their work place were generally more harmonious than males.....	278
5.9.4 Males were more constantly aware of the differences between living in the countryside and in cities.....	279
5.9.5 Females consider their working atmosphere is happier than males.....	279
5.9.6 Males interacted with line managers more than females. Females interacted with colleagues more than males.....	279
5.9.7 Females interacted with colleagues more than males in their social contact. Males interacted with line managers more than females in their social contacts....	280
Discussion.....	280

5.10 An analysis of interviews in State Owned Enterprise D – Rural migrant workers' social integration situation in the SOE and an analysis of reasons why there was lower working efficiency in the SOE.....	281
5.11 An analysis of interviews in private companies – An analysis of reasons why there was an inclusive environment for rural migrant workers in private companies.....	286
Interview analysis.....	287
5.11.1 An analysis of interviews in private company C in Shandong Province.....	288
5.11.2 An analysis of interviews in private companies – company B, company F and company A in Shandong Province.....	291
Data Analysis and Discussion: conclusion.....	296
CHAPTER SIX - Conclusion.....	297
6.1 Achievement of research objectives.....	300
6.2 Findings which are considered new in the context of Chinese rural worker migration.....	303
6.3 Findings that confirm earlier research.....	312
6.4 Recommendations.....	313
6.5 Limitations .....	314
6.6 Future Research.....	315
References.....	317
Appendix I Data analysis.....	i
Appendix II Questionnaire data.....	xxxviii
Appendix III Questionnaire.....	lxxvi

Questionnaire (English version).....	lxxvii
Questionnaire (Chinese version).....	xciv
Appendix IV The transcription from interviews concerning drivers for urbanisation including the process of content analysis from the interviews.....	cv
Appendix V The transcription of the interview about rural migrants' difficulties brought about by urbanisation.....	cxi
Appendix VI The interview transcript of the vice-general manager and office director of private company C in Shandong Province and content analysis of the interviewee's interview transcripts.....	cxv
Appendix VII The transcription of the interview with the deputy general manager in private company C in Shandong Province and content analysis of the interviewee's interview transcripts.....	cxxii
Appendix VIII The transcription of interview with Mr H of the SOE D and analysis of the interviewee's interview transcript.....	cxxvii
Appendix IX Background of the SOE D.....	cxxxii
Appendix X The transcription of the interview with the Chief Engineer in the SOE D and content analysis of the interviewee's interview transcript.....	cxxxv
Appendix XI The transcription of the interview with employees in the SOE D and content analysis of the interviewees' interview transcripts.....	cxxxix
Appendix XII The transcription of the interview in private B, private company F and private company A in Shandong Province and content analysis of the interviewees' interview transcripts.....	cxliii
Appendix XIII A summary of the interview with Mr D in company A about measures that can help team members get more help from line managers.....	clv
Appendix XIV Ethics Approval Form.....	clvii

## List of Tables

Table 3.6 The theoretical framework of social capital.....	104
Table 4.1 Sample Size .....	112
Table 5 Summary of data analysis and discussion findings.....	147



## List of Figures

Figure 5.1.1 – A mind-map - summarising how employees'/rural migrant workers' career progression is related to a private company's characteristics of a less hierarchical system and an estimation of the closeness of employers' relationship with their employees.....	157
Figure 5.1.1.1.1 – Chi - square test for the relationship between types of company and career progression of two different groups of people who were from the state owned enterprise and private companies respectively.....	158
Figure 5.1.1.2.1 - The responses of employees who had enough career progression available in private companies.....	160
Figure 5.1.1.2.2 - The responses of rural migrant workers who had enough career progression available in private companies.....	160
Figure 5.1.1.3.1 - The responses of employees who had enough career progression available in private companies.....	161
Figure 5.1.1.3.2 - The responses of rural migrant workers who had enough career progression available in private companies.....	162
Figure 5.1.1.4.1 - The responses of employees who had enough career progression available in private companies.....	162
Figure 5.1.1.4.2 - The responses of rural migrant workers who had enough career progression available in private companies .....	163
Figure 5.1.2 – A mind-map - summarising the perceived importance of company culture and systems on career progression from different types of companies and the importance of employees' cohesion on the hopes and career progression of employees who did not perceive they experienced sufficient career progression...	172
Figure 5.1.2.3.1 - The responses of people who do not think they had enough career progression available in the state owned enterprise.....	174
Figure 5.1.2.3.2 - The responses of people who felt they had not enough career progression available in the state owned enterprise.....	175
Figure 5.1.3 – A mind-map - summarising groups that provided support and assistance and who influenced career progression in enterprises.....	179

Figure 5.1.3.1 - The responses of people who had experienced enough career progression available and those who had not enough career progression available in the state-owned enterprise from question 5.....	180
Figure 5.1.3.2 - The responses of people who had experienced enough career progression available and those who had not enough career progression available in private companies from question 5.....	181
Figure 5.2 (1) – A mind-map - summarising a strong network of informal relationships in the state owned enterprise.....	186
Figure 5.2 (2) – A mind-map - summarising relationship network of staff changing from "agricultural to non-agricultural" status and ways to promote social inclusion between line managers and employees in private companies.....	186
Figure 5.2.1.1 - The mean scores of variable “family members” of people with different household registration status in private companies and the state owned enterprise .....	187
Figure 5.2.1.2 - The mean scores of variable ‘family members’ of people with different household registration status in private companies and the state owned enterprise from question 5.....	188
Figure 5.2.1.3 - The mean scores of variable ‘acquaintances’ of people with different household registration status in private companies and the state owned enterprise from question 5.....	189
Figure 5.2.1.4 - The mean scores of variable ‘acquaintances’ of people with different household registration status in private companies and the state owned enterprise from question 5.....	189
Figure 5.2.1.5 - The mean scores of variable ‘line managers’ and ‘bosses’ of people with different household registration status in private companies and the state owned enterprise from question 5.....	190
Figure 5.2.1.6 - Mann-Whitney Test for differences between two company types in terms of variables-acquaintances, relatives and bosses in question 5.....	191
Figure 5.2.2.1 - Mann-Whitney Test for differences between two company types in terms of variables-bosses and acquaintances .....	192
Figure 5.2.2.2 - Kruskal-Wallis Test for differences among household registration groups in terms of variable-line managers from question 6 .....	192

Figure 5.2.3.1- the responses of people with different household registration status in private companies and the state owned enterprise in terms of variable-bosses.....	193
Figure 5.2.3.2 - Mann-Whitney Test for differences between the two company types in terms of variables bosses and acquaintances from question 7.....	194
Figure 5.2.3.3 -Mann-Whitney Test for differences between different household registration groups in terms of variable bosses and managers from question 7 in section 4 of the questionnaire.....	194
Figure 5.3 – A mind-map -summarising the analysis of social capital from the perspective of power and control in the SOE and private companies and an exploration of the Marxist strain of social capital in the SOE.....	208
Figure 5.3.1.1 - The mean score on the dependent variable (“control your work”) for people who worked in the state-owned enterprise and private companies.....	209
Figure 5.3.1.2 - The mean score on dependent variable (“control your work”) for people with different household registration status.....	210
Figure 5.3.2 -The mean score on dependent variable (“a feeling of a sense of belonging”) for people who work in the state-owned enterprise and private companies.....	211
Figure 5.3.3.1 -The mean score on dependent variable (“the power to make important decisions that change the course of your life”) for people who work in the state-owned enterprise and private companies.....	212
Figure 5.3.3.2 -The mean score on dependent variable (“the power to make important decisions that change the course of your life”) for people with different household registration status.....	213
Figure 5.4 - A mind-map -summarising the analysis of mutual trust between people with non-agricultural hukou and people with agricultural hukou in organisations and an exploration of the rational strain of social capital in private companies.....	216

Figure 5.4.1.1 - Mann-Whitney Test for differences between two company types in terms of variables - “trust people with the nonagricultural hukou” and “trust people with the agricultural hukou”.....	219
Figure 5.4.2.1 - The responses of rural migrant workers from question 19.....	220
Figure 5.4.2.2 - The responses of non-agricultural hukou residence from question 20.....	220
Figure 5.4.5.1 -The mean score on dependent variables (“A, B, C, D”) for people who work in the state-owned enterprise and people who work in private companies....	222
Figure 5.4.5.2- Correlations Test for statement A and C.....	222
Figure 5.5 – A mind-map - summarising job satisfaction with respect to educational attainment and income.....	229
Figure 5.5.1 – The mean score on dependent variable (“the satisfaction rate”) for people who work in private companies.....	230
Figure 5.6 – A mind-map –summarising interaction with respect to registration within the hukou system.....	236
Figure 5.6.1.1 -The mean score concerning the dependent variable (“interaction in your company”) for people with a different household registration.....	237
Figure 5.6.1.2 -The mean score on the dependent variable (“interaction in social contact”) for rural workers who worked in the state-owned enterprise and rural workers who worked in private companies.....	239
Figure 5.7 – A mind-map –summarising influences of pre-existing urban residents and job opportunities.....	242
Figure 5.7.1 - The responses of rural migrant workers from question 16.....	243
Figure 5.7.3.1 - The mean score on dependent variables (“moral standards”, “tolerance”, “friendliness”, “supportiveness”, “hospitality”, “humility”, “diligence”) for rural workers who worked in the state-owned enterprise and rural workers who worked in private companies.....	244

Figure 5.7.3.2 - The mean score relating to the dependent variable (“self-perceived moral standards”, “self-perceived tolerance”, “self-perceived friendliness”, “self-perceived supportiveness”, “self-perceived hospitality”, “self-perceived humility”, “self-perceived diligence”) for rural workers who worked in the state-owned enterprise and rural workers who worked in private companies.....	245
Figure 5.7.6.1 - The responses of rural migrant workers to question 11 .....	246
Figure 5.7.6.2 - The responses of rural migrant workers to question 12.....	247
Figure 5.8.1.1 - The responses of rural migrant workers to question 18.....	254
Figure 5.8.2.1 - The responses of rural migrant workers to question 19.....	255
Figure 5.8.3.1 - The responses of rural migrant workers to question 20.....	257
Figure 5.8.4.1 - The responses of rural migrant workers to question 21 .....	258
Figure 5.8.5.1.1 - The responses of rural migrant workers to question 24.....	258
Figure 5.8.5.1.2 - The mean score relating to the dependent variables (“self-perceived ID”) for groups of rural workers with different educational attainment....	259
Figure 5.8.5.2.1- The responses of rural migrant workers who regarded themselves as still rural or partly urbanised to question 25.....	260
Figure 5.8.5.2.2 - The percentage relating to the dependent variables (1.“My roots are in the countryside”; 2.“Family members and relatives live in the countryside”; 3.“Urban citizens perceive me as rural”; 4.“ Agricultural household registration”) for groups of rural workers with different educational attainments who considered themselves still rural or partly urbanised.....	261
Figure 5.8.6.1 - The responses of rural migrant workers who regarded themselves as still rural or partly urbanised to question 26.....	262
Figure 5.8.6.2.1 -The responses of rural migrant workers who regarded themselves as still rural or partly urbanised to question 27.....	262

Figure 5.8.7.1 - The responses of rural migrant workers who regarded themselves as still rural or partly urbanised to question 28.....	263
Figure 5.8.7.2 - The percentage on the dependent variables (“ Return to countryside to work ” ; “ Work in the city ” ; “ It does not matter to me ”) for groups of rural workers with different educational attainments.....	264
Figure 5.8.8.1 The responses of rural migrant workers to question 30.....	265
Figure 5.8.8.4 - The responses of rural migrant workers to question 39.....	266
Figure 5.8.9.1 - The responses of rural migrant workers to question 29.....	266
Figure 5.8.9.2 - The responses of rural migrant workers to question 22.....	267
Figure 5.8.9.3 - The responses of rural migrant workers to question 23.....	268
Figure 5.8.9.4 - The responses of rural migrant workers to question 36.....	269
Figure 5.8.9.5 - The responses of rural migrant workers to question 37.....	269
Figure 5.8 - A mind-map – summarising the analysis of reasons why rural workers migrate to cities.....	273
Figure 5.8.11 - Mind map for rural migrants’ difficulties brought about by urbanisation.....	271
Figure 5.9 – A mind-map – summarising rural migrant workers’ working environment with respect to their gender.....	276

# CHAPTER ONE

## **Introduction**

- 1.1 Introduction to the study
- 1.2 Study objectives
- 1.3 Outline of research methodology
- 1.4 Thesis outline

## 1.1 Introduction to the study

“Urbanisation has the greatest potential for boosting domestic demand.” proposed by Li Keqiang, a member of the Political Bureau of the CPC Central Committee and premier of the State Council at a symposium on economic and social development and reform research on 19/12/2012. He added that China’s needs, as a big country, should be based on domestic demand; urbanisation could contribute to the biggest domestic demand sector (Li 2012).

Related statistics have shown that urban residents spent 3.6 times more than rural dwellers in 2010, with the average annual consumption of urban and rural residents standing at 15,900 yuan (US \$2,525) and 4,455 yuan (US \$707) respectively. Based on those figures, it is estimated that every rural resident who becomes an urban dweller will increase consumption by more than 10,000 yuan (US \$1,587). Furthermore, the urbanisation rate of developed countries has reached 80 per cent, and some developing countries with similar average income levels to China topped 60 per cent (Li 2013). The promotion of a coordinated urban-rural development is a major source of domestic demand (Li 2013).

China currently has 240 million rural workers, about 150 million of whom have left the countryside to seek jobs. Li has a plan to boost China's urban population by 400 million over the next decade (Li 2013). On March 16, Premier Li Keqiang's State Council and the central committee of the Communist Party released the “National New-type Urbanisation Plan (2014-2020)”, which sets clear targets: By 2020 the country will have 60 per cent of its people living in cities, up from 53.7 per cent now (Roberts 2014). However, the plan faces huge obstacles, including a lack of infrastructure in cities to deal with an influx of new residents and the cost of building to house them (Reuters 2013). Young migrant workers wanted to stay in the cities they had moved to, but few had access to social security, education and housing benefits under the rigid registration, or "hukou" system (Reuters 2013).

The issue of the inclusion of rural migrant workers within urban communities is constrained by historical factors and institutional factors in China. Labour’s transmigration from countryside to cities is driven by policy and individual rural migrant workers, and is part of global cultural and economic changes. The



transmigration from countryside to cities is also of interest as part of a system reconstruction because of the former urban-rural separation system (Chan and Buckingham 2008). The first classification of the Chinese household registration system is the hukou “type” or “nature”, commonly referred to as “agricultural” and “non-agricultural” hukou. The location of an individual’s household registration makes a significant difference in terms of payment and other social welfare benefits (Huang and Wang 2012). This is because, if people are born in the cities, they will get an urban household registration/urban hukou, and if people are born in the rural areas they will get a rural household registration. All kinds of permits can only be processed with hukou; and all kinds of benefits depend on your hukou (Fan 2008). Even when migrant workers have been working in cities for years, they are normally not entitled to pensions, medical care and housing subsidies (Huang and Wang 2012).

By binding peasants to the countryside and setting the prices of agricultural goods low, the state was successfully focusing investment and subsidies on urban areas and industrialisation (Fan 2008). Despite the economic reforms and many changes to hukou registrations that have facilitated rural-urban migration since the 1980s, formidable barriers between the rural and the urban segments of society persist (Fan 2008). The hukou system has also reinforced a dualistic system, and has fostered a deep divide between the city and the countryside (Fan 2008). Because of the segmentation of rural and labour markets as well as the underdevelopment of social welfare system, labour costs in China are distorted (Huang and Wang 2012). Market forces have not come more fully into play in this area. A series of government reforms ensued including those of July 2014 that eliminated the dual rural/urban nature of HuKou to better address inequality in residency and build more equitable access to federal services for all Chinese (Cui and Cohen 2015). Officials have been calling for “equal rights” for all urban residents. A new word has entered the party lexicon: *shiminhua*, which means turning a migrant into an urbanite with all the advantages of a city hukou-holder. The declared aim of urbanisation now is not just to move people into cities, but, more importantly, to make urbanites of them (Shambaugh 2016).

This study is oriented by its focus on the ways in which these workers have been and are being integrated into urban working activities and society in the context of their working environment (private companies and SOEs). The resources rural migrant workers can access to help them integrate into the urban working activities are influenced by their social networks and the social structure which are both connected to the social and organisational system. Therefore, this study explores how social capital is affected by institutional and organizational factors of a SOE and private companies for the inclusion of rural migrant workers within urban communities in the context of their working environment.

Social-capital models will be utilised in an attempt to address these questions and issues around migration and integration. Social capital models are outlined as follows:

For Bourdieu: “Social capital is the sum of the resources, actual or virtual, that accrue to an individual or group by virtue of possessing a durable network of more or less institutionalized relationships of mutual acquaintances and recognition (Bourdieu 1986: 248)” According to this definition, social capital is associated with social relationships’ network of mutual acquaintances and recognition. Further, this social relationship network is more or less institutionalised. Therefore, institutions play a leading role in this social capital model. The Marxist strain of social capital theory (Bourdieu 1986) is integrated into the research of SOEs in this study. For details see chapter 2.

Moreover, Coleman has defined social capital as a function of social structure which produces advantages (Coleman 1990: 302; from Coleman 1988: S98 *cited by* Lin *et al.* 2001): “Social capital is defined by its function. It is not a single entity but a variety of different entities having two characters in common: they all consist of some aspects of a social structure, and they facilitate certain actions of individuals who are within the structure.” (Coleman 1990: 302; from Coleman 1988: S98 *cited by* Lin *et al.* 2001) Lewandowski maintained that social capital amounts to those organised bridging connections between and among individuals that have functional utility. This definition provides a framework for analysis of social capital at the middle range level relevant to organisational structure. The scope of meso-level social capital equates social capital at the social scale from the level of communities (Grootaert 1998,

Grootaert and Bastelaer 2001). Furthermore, central to this economic or rational strain in contemporary social capital theory is the rational choice conception of the actor as an essentially self-interested individual whose behaviour, guided by instrumental reason, always takes the form of strategic action. Coleman seeks to explain how individual rational action is translated into systemic or collective action via shared norms and studies how individual rational action is collectively organised to ensure the effective realisation of self-interested utility-maximisers. Therefore, individuals' and collectives' rational choice plays a leading role in this social capital model. The rational strain of social capital theory (Coleman 1990a) is integrated into the research of private companies. For details see chapter 2.

In addition, the democratic strain in current social capital theory conceives of social capital as the communal inventory of "generalised trust" and social norms which facilitate the kinds of mutual obligations that make democracy work. For Putnam social capital enables the democratic resolution of collective action problems (id est. "free-rider" problems). In the democratic strain in social capital theory, social norms are understood as nothing less than those "we" – constraints that enable the collective realisation of democratic ideals (Lewandowski 2006). Therefore, normative bonding (Lewandowski 2006) plays a leading role in this social capital model.

In summary, the researcher studies the respective social capitals from the perspective of functions of institutions (for example, the Marxist strain of social capital theory), rational choice (for example, the rational strain of social capital theory) and norms at the micro level, meso level and macro level for the inclusion of rural migrant workers within urban communities.

A nation's management philosophy can be achieved through company management models/company systems/institutions at the meso level. Company systems influence rural migrant workers' social networks and resources. Meso level social capital that companies have, macro level social capital (institutions) and micro level social capital (individuals) are linked with each other. Therefore, this study also builds a model by combining meso level social capital (companies), with macro level social capital (institutions) and micro level social capital (individuals).

This study researches how institutional and organisational factors and the structure of relations between persons and among persons of SOEs and private companies

affect the inclusion of rural migrant workers in the context of their working environment. Particularly, in terms of meso level social capital that companies have, the study analyses the career progression of employees (existing urban workers and rural migrant workers); relationship networks in organisations; power and control; trust; job satisfaction; interaction; influence of urban residents on the assimilation process of rural migrant workers in the context of their working environment; job opportunities and motivation. This was carried out by analysing data collected from a state-owned enterprise and four private companies in Shandong Province. This provides the data to evaluate urban-rural integration in the context of rural migrant workers' working environment within a framework of social capital. The evaluation of meso level social capital that different types of companies have for the inclusion of rural migrant workers within urban communities in the context of their working environment also gives insights for Chinese macroeconomic policies. This study is different because:

1. It explores for the first time a collectivist economic planning period/command economy relevant to SOEs from the perspective of the Marxist strain of social capital theory (Bourdieu 1986) and "mechanical solidarity" (Durkheim 1893 *cited by* Lukes 2014). It explores for the first time the democratic strain of social capital (Putnam 2000) from the perspective of the political economic system in China. It explores for the first time socialist market economic system from the perspective of "organic solidarity" (Durkheim 1893 *cited by* Lukes 2014) and the rational strain of social capital (Coleman 1990a) in the context of the Chinese political economic system. It researches into the social capital in organisations (meso level social capital) and the social capital of individuals (rural migrant workers and existing urban workers) (micro level social capital) in China.

2. The study integrates, for the first time, the Marxist strain of social capital theory (Bourdieu 1986) into the research of SOEs and integrates for the first time the rational strain of social capital theory (Coleman 1990a) into the research of private companies and further refined these theories in the Chinese political economic system. A similarity can be observed between the Marxist strain of social capital and social capital that is in SOEs, and there is also a similarity between the rational strain of social capital and social capital that are in private companies. Bourdieu's (1986)

view of the Marxist strain of social capital theory illustrates that social capital is associated with social relationships and a network of mutual acquaintances and recognition; further, this social relationship network is more or less institutionalised. Therefore, institutions play a leading role in this social capital model. This institutionalised network of relationships is a product of investment strategies aimed at establishing or reproducing social relationships that are usable in the future. Because of the leading role of command political economic regimes in the SOE (state owned enterprises) (for details, see 3.1 and 5.3), a similarity can be observed between the Marxist strain of social capital and social capital that is in SOEs.

Furthermore, Coleman's rational strain of social capital indicates that social capital worked in a way that was broadly comparable to, and congruent with, the role of the "invisible hand" of the market in classical economic theory (Heinze and Strunck 2000:179 *cited by* Field 2008). Central to the economic or rational strain in contemporary social capital theory is the rational choice conception of the actor as an essentially self-interested individual whose behaviour, guided by instrumental reason, always takes the form of strategic action (Lewandowski 2006). Individuals in private firms are allowed to devise their own rules and enforce these rules to deal with the daily concerns insofar as those rules are "within the broad set of potentially lawful rules that are theoretically consistent with the larger constitutional system" (Ostrom, Gardner and Walker 1994: 39 *cited by* Ostrom and Ahn 2013). For details, see 3.3 and 5.4. Therefore, there is also a similarity between the rational strain of social capital and social capital that is in private companies.

3. The rational strain of social capital suffers from "rational reductionism". This strain similarly eliminates any account of the thickness, or normative density, of trust relations as central to the rational school of thought in contemporary social capital theory and is the rational choice conception of the actor as an essentially self-interested individual whose behaviour, guided by instrumental reason, always takes the form of strategic action; this school of thought reduces social norms to rational norms, and conceives of trust horizontally, as merely a bridging resource that facilitates individuals' realisations of their rational interests (Lewandowski 2006).

Bourdieu's Marxist strain in current social capital theory suffers from a tendency towards functionalistic homologism – that is a non-voluntary predisposition. Social

norms in this school of thought are primarily pre-reflective, stratifying norms of consumption that, for instance, predispose some actors to “choose” to drink beer instead of wine.

The democratic strain in contemporary social capital is what might best be described as “moral inflationism”. In this strain of social capital theory, associated actors are not rationally organised individual actors. Rather, they are social facts that cultivate the “habits of acting together in the affairs of daily life” upon which democratic society depends (Tocqueville 1969). Here the “technique of association” (Tocqueville 1969) creates normatively thick forms of mutual trust in which inter-subjective moral obligations are acquired and reinforced in the day-by-day working together and associating with others; however, the resolution of collective action problems may take place in many associations and social groups do not in any necessary way entail the fostering of democratic mores among individual association members or between associations and social groups. This strain inflates the morally bonding function of social norms into association-transcending democratic idealism (Lewandowski 2006).

This study has offered a new insight into these theories for the first time based on the research into the meso level social capital that organisations (private companies and SOE) have in China as this study integrates the Marxist strain of social capital theory (Bourdieu 1986) into the research of SOEs and integrates the rational strain of social capital theory (Coleman 1990a) into the research of private companies.

4. Snyder’s Hope Theory (Snyder 2000) is used for the first time in this context of social capital to evaluate employees’ / rural migrant workers’ social capital with respect to their career progression in private companies and state-owned enterprises. A close relationship between employers and employees created social capital which was evidenced by more cohesion within the private companies and an obvious contribution to employees’ hopes. For details see 5.1.

5. This study analyses the important trust in organisations between registration (hukou) groups and age groups. There is a greater extent of mutual trust between those with non-agricultural and agricultural hukou in private companies. For details see 5.4.

6. This study analyses the difficulties faced by rural migrant workers brought about by urbanisation. Many peasants who had been compensated for their land which had been acquired for urbanisation found it hard to restart their careers in cities. They found this transition difficult. Rural migrant workers in the city with lower educational attainment felt they lagged behind urban workers in many respects. For details see 5.8.

7. This study further analyses reasons why private companies have an inclusive environment that provides equal opportunities and career progression for rural migrant workers and also analyses reasons why employees in the state owned enterprise are inefficient in their work and reasons why the employment in SOE is seen to be comparatively higher for rural migrant workers. For details see chapter 5.10 and 5.11.

8. This study analyses the relationship network of employees in both types of companies. As bonding social capital from line managers excludes people who are outside particular spheres of influence in the private companies, this study explains how to promote social inclusion between line managers and employees in private companies. The prevention of the formation of cliques/strong bonding social capital between line managers and employees in private companies can also help rural migrant workers' social inclusion. For details see 5.2.

9. This study clarifies the relationship between trust and educational attainment, and highlights the importance of education such as vocational technical education for rural migrant workers. This study also explores how different interactions affect individuals' social capital inside companies. For details see 5.5 and 5.6.

10. This study analyses rural migrant workers' working environment with respect to gender. Female rural migrant workers interacted with colleagues more than males. This also explained the reason why female rural migrant workers thought their working environment was more harmonious than males. Male rural migrant workers needed to strengthen interaction with their colleagues. Activities that were organised by companies would help strengthen the interaction with their colleagues. For details see 5.9.

11. This study identifies the motivation of rural migrants moving to urban communities and also incorporates rural migrants' social ideology, emotions and values, such as their self-perceived ID as urban or rural into the research of urban-rural integration. For details see 5.8.

## **1.2 Study objectives**

In the 1980s and 1990s, rural-urban migrants were denied local hukou and were viewed as temporary residents in their host cities. They had no social and political rights and suffered discrimination from urban administrators. Since 2003, there has been an overall change in the implementation of developmental goals and strategies in China. Social harmony was underlined as a goal that is as equally important to economic growth. In the 2000s, the State identified substantial steps to redress the unequal treatment of rural migrants. The reforms implemented in the past few years partially removed the inequality between rural migrants and urban residents. However, there is still a gap in terms of the membership status between the two, as reflected in the social and political rights practiced in the host cities (Li 2011). Even when migrant workers have been working in cities for years, they are normally not entitled to pensions, medical care and housing subsidies (Huang and Wang 2012). Officials have been calling for "equal rights" for all urban residents. The declared aim of urbanisation now is not just to move people into cities, but, more importantly, to make urbanites of them (Shambaugh 2016). This study evaluates the issues such as career progression, mutual trust and reciprocity, job satisfaction, power and control and difficulties faced by rural migrant workers brought about by urbanisation arising from the inclusion, within the context of their working environment (private companies / SOEs), of migrants from rural areas, using social-capital theory to measure the process and extent to which harmonious and productive urban-rural working environment has been constructed and the balanced development between the city and the countryside facilitated.

The research objectives are as follows:

1. To identify the motivation of rural migrants moving to urban communities in China.



2. To analyse the assimilation process of rural migrant workers in private companies and SOEs in Shandong Province and the influence of pre-existing urban employees in these organisations on them.
3. To evaluate the contribution of social capital to the above assimilation process in the context of the Marxist and rational strains of social capital theory.

The author has chosen this subject area for the study because of its importance in influencing economic growth based on the smooth transition of rural to urban migration and a personal interest in considering this massive and significant change area in the People's Republic of China (PRC).

### **1.3 Outline of research methodology**

It is useful to utilise, whenever possible and appropriate, different research tools or data collection methods (Turner *et al.* 2011). Therefore, the researcher used both quantitative and qualitative approaches in this research to provide a more complete set of findings and to verify the validity of findings by cross-checking them using the two methods. Quantitative research and qualitative research are complementary strategies used to contribute to the researcher's understanding and knowledge.

#### **The objectives addressed using the following:**

##### **1) Questionnaires**

A pilot study was carried out first. A draft questionnaire was refined following interviews with three managers and 30 questionnaire surveys.

Purposive sampling (Denscombe 2010) using a questionnaire based survey was carried out on rural migrant workers and urban workers in private companies and a state owned enterprise. Multi-stage sampling (Richardson 1992) was also carried out. In total 549 useful responses were achieved. Based upon important

characteristics that were assessed to be meaningful and relevant to the objectives, specific sample groups were drawn from a sample of staff in private companies and a sample of staff in the state owned enterprise. The sample groups contained a mix ranging from staff changing from “agricultural to non-agricultural” status in the private companies, staff with “agricultural household registration” in private companies, urban workers in private companies, staff changing from “agricultural to non-agricultural” status in the state-owned company, staff with “agricultural household registration” in the state-owned company and urban workers in the state-owned company. Additionally, snowball sampling was also used complementing purposive sampling. With snowball sampling the sample emerges through a process of reference from one person to the next (Denscombe 2010). Selection is based on trust relations (relatives, friends and classmates) and referrals with different groups. Respondents were sought in two population centres in China. As this research focuses on how social capital is affected by institutional and organizational factors of SOEs and private companies for the inclusion of rural migrant workers within urban community, the initial study took place in a large state owned and four private companies in Zoucheng city and Rizhao city in Shandong Province. Sampling methods are described in Chapter 4.

## 2) Interviews of rural migrant workers and selected managers

Ten rural migrant workers from Zoucheng city, in Shandong Province were interviewed in order to understand rural urbanisation in their hometown-villages and the motivation behind their move to urban communities and to ask their opinions about city life, urban workers and rural workers. The transcripts of the interviews were analysed together with quantitative data gathered during the research to provide a more complete view (See 5.8). In this process, the researcher understood there are difficulties experienced by rural migrant workers as a result of urbanisation and their difficulties were analysed through interviews as presented in 5.8. Furthermore, twelve selected managers in private companies and a state owned enterprise were interviewed to investigate their thoughts regarding the best way rural migrant workers can develop their career and be included within urban communities.

Selection is based on trust relations (relatives, friends and classmates) and referrals with different groups.

The interviews were semi-structured, with only a standard set of questions that were designed to help initiate and guide the interview process. This is because semi-structured interviews allow some questions to be created during the interviews, allowing both the interviewer and interviewees the flexibility to probe for details or discuss issues. The information obtained from semi-structured interviews will provide not just answers, but the reasons for the answers (Grove 1990). Accordingly, semi-structured interviews can allow the researcher to follow and explore employees' own thoughts and gain more complete information than structured interviews.

#### **1.4 Thesis outline**

The study is organised as follows:

Chapter 1 Introduction

Chapter 2 Theretical/philosophical foundation

Chapter 3 Literature Review

Chapter 4 Methodology

Chapter 5 Data Analysis and Discussion

Chapter 6 Conclusion

## CHAPTER TWO

### **Theoretical philosophical foundation**

Lewandowski (2006) considered it possible to identify three prevalent strains in contemporary social capital theory.

First, there is a critical or Marxist strain of social capital theory, exemplified by the work of Pierre Bourdieu (1992); second, there is a political or democratic strain of social capital, developed most prominently by Robert Putnam (2000), which is one of the hallmarks of contemporary neo-Tocquevillean political science and democratic theories of associations (groups of people); third, there is an economic or rational strain of social capital, found most notably in the rational choice theory of Gary Becker (1990: 41) and James Coleman (1990a) (Field (2008); Lewandowski (2006)).

**Heinze and Strunck identified the market's invisible hand (2000:179) (*cited by Field 2008*):**

Coleman defines social capital as a function of social structure producing advantages (Coleman 1990: 302; from Coleman 1988: S98 *cited by* Lin, *et al.* 2001): "Social capital is defined by its function. It is not a single entity but a variety of different entities having two characters in common: they all consist of some aspects of a social structure, and they facilitate certain actions of individuals who are within the structure (– Coleman's rational strain of social capital (1990)).

Lewandowski (2006) maintained that central to the economic or rational strain in contemporary social capital theory is the rational choice conception of the actor as an essentially self-interested individual whose behaviour, guided by instrumental reason, always takes the form of strategic action. The "utility function", as Gary Becker (1990: 41) describes it, serves to minimise transaction costs and maximise outcome.

Coleman has claimed that social capital worked in a way that was broadly comparable to, and congruent with, the role of the 'invisible hand' of the market in classical economic theory (Heinze and Strunck 2000:179 *cited by* Field 2008). Smith's description of the invisible hand theory states that individuals pursuing their own interest frequently promote the good of society than when he really intends to promote it. According to the invisible hand theory, each of us, acting in our own self-interests, generates a demand for goods and services that compels others to deliver

those goods and services in the most efficient manner so that they may be able to receive compensation from others and make a profit in doing so. In this process, resources are allocated in the most efficient manner, in contrast to a process that relies on a centrally planned system (Guinness and Wiseman 2011). Correspondingly, individuals in private firms are allowed to devise their own rules and enforce these rules to deal with the daily concerns insofar as those rules are “within the broad set of potentially lawful rules that are theoretically consistent with the larger constitutional system” (Ostrom, Gardner and Walker, 1994: 39 *cited by* Ostrom and Ahn 2013). That being the case, there is a similarity between the rational strain of social capital and social capital that is in private companies. Social capital in private companies may work in a way that is also congruent with the role of the ‘invisible hand’ of the market and rational choice in classical economic theory. The rational strain of social capital theory (Coleman, 1990a and Becker, 1990) has been integrated into the research of private companies in this study.

However, as a consequence of such individualist rationality assumptions regarding the nature of human action as utility-maximisers, the rational strain of social capital theory understands trust among actors as a horizontally thin, organisational network which functions to bridge and coordinate individual action (Hardin 2000). Rational choice theory has no place for affect – that is, for such basic elements of human behaviour as altruism, love and friendship (Misztal 1996: 80-8; Sztompka 1999: 66; *cited by* Field 2008). Coleman (1994) sought to integrate economic and social theory on the basis of rational choice theory (Field 2008). Lewandowski believed that by horizontalising trust, this strain similarly eliminates any account of the thickness of trust relations. An analysis of the social character of action, norms and trust are thus omitted entirely in the rational strain in contemporary social capital theory. For that reason, in this study, social capital in the private companies is researched to determine whether it provides an inclusive environment for rural migrant workers and employees.

### **Government’s visible hand** (Liebman and Mihaupt, 2015):

Bourdieu (1986, 248) provide a concise definition: “Social capital is the sum of the resources, actual or virtual, that accrue to an individual or group by virtue of possessing a durable network of more or less institutionalized relationships of mutual

acquaintance and recognition.” Therefore, institutions play a leading role in this social capital model. An SOE is an economic enterprise, typically taking the form of a corporation, whose shares are wholly or significantly owned by a state agency or organ. The SOE thus places the state in dual and often conflicting roles: as institution designer and enforcer on the one hand, and as a direct, commercial participant in the economy, on the other (Liebman and Mihaupt 2015). Because of the leading role of command political economic regimes in the SOE (for details, see 3.1 and 5.3), a similarity can be observed between the Marxist strain of social capital and social capital that is in SOEs.

The Marxist strain of social capital theory (Bourdieu 1986) has been integrated into the research of SOEs in this study. Institutionalized relationships can be formed by government's regulation and control (government's visible hand (Liebman and Mihaupt 2015)). Bourdieu thought that the ‘possession’ of particular durable social relationships may provide for differential access to resources. In this view, ‘social capital’ is certainly not an attribute of ‘society’ as a whole, but an aspect of the differentiation of classes (Harriss 2002). Social capital, in this view, is really an instrument of power (Harriss 2002). For Bourdieu, social groups are implicit or probable classes in the sense that their existence, identity, and membership are determined by non-voluntary predispositions shaped by everyday struggles over the consumption and distribution of limited economic, social and cultural resources (Kay and Johnston 2007). Bourdieu (1986) has identified that social capital promotes inter-group distrust and struggles although it facilitates intra-group mutual recognition, solidarity, and obligations among individual group members as he conceives of social capital as a socio-cultural marker (Lewandowski 2006). Accordingly, in this study, social capital in one SOE has been analysed to assess whether an inclusive environment has been provided for rural migrant workers and employees.

The research into the social capital in different types of companies has offered a new insight into these theories for the first time in the context of the Chinese political economic system.

Social capital “inheres in the structure of relations between persons and among persons.” (Coleman 1990: 302). Social capital is the contextual complement to

human capital. The social capital metaphor is that the people who do better are somehow better connected. Certain people or certain groups are connected to certain others, trusting certain others, and are obligated to support certain others, dependent on exchange with certain others. Holding a certain position in the structure of these exchanges can be an asset in its own right. That asset is social capital (Lin *et al.* 2001). Further, in organisational contexts social capital consists of the stock of active connections among people: the trust, mutual understanding, and shared values and behaviours that bind the members of human networks and communities and make cooperative action possible (Fukuyama 1995; Cohen and Prusak 2001 *cited by* Widen-Wulff 2007). Bourdieu is often quoted in defining social capital as the resources that result from social structure (Bourdieu and Wacquant 1992: 119, expanded from Bourdieu 1980 *cited by* Lin *et al.* 2001). Coleman defines social capital as a function of social structure producing advantages (Coleman 1990: 302; from Coleman 1988: S98 *cited by* Lin *et al.* 2001). Putnam (1993: 167) discusses the focus on action facilitated by social structure: "Social capital refers to features of social organisation, such as trust, norms and networks that can improve the efficiency of society by facilitating coordinated action." They all agree social structure is a kind of capital which can create for certain individuals or groups a competitive advantage in pursuing their ends. Better connected people enjoy higher returns (Burt 1992 *cited by* Lin *et al.* 2001). Social capital is the stock of shared resources which are accessed based on relationships (Tymon and Stumpf 2003 *cited by* Widen-Wulff 2007). Research programmes should seek to clarify how individuals are afforded and constrained by their relative accessibility to resources embedded in the social structure, and how they take actions to mobilize the embedded and accessible social resources to generate returns for their own well-being (Lin, Fu and Hsung *cited by* Lin *et al.* 2001).

Therefore, this study brings together the analysis of relationship structure among people in SOEs and private companies respectively. It researches how rural migrant workers within urban communities are included in the context of their working environment, thus demonstrating the meso-micro linkage and dynamic interactive effects in the structure of relationships in different types of companies.



Snyder Hope Theory (Snyder *et al.* 2008) is also applied to examine the social capital and structure of relationships between persons and among persons in companies. The hope recipe is a short one with three ingredients: 1. Set clear goals that one values. 2. Think about how one can reach those goals. 3. Call forth the motivation to use those routes (agency thinking) (Snyder *et al.* 2008). Hope is defined as the perceived ability to produce pathways to achieve desired goals and to motivate oneself via agency thinking to initiate and sustain movement along those pathways (Snyder and Lopez 2011). Therefore, workers who feel that there is potential for career progression within the company for which they work then have the perceived ability to produce pathways to achieve that career progression. One means of increasing aspiration within the workforce is to provide established environments which foster the achievement of goals (Snyder and Feldman 2000 *cited by* Snyder 2000). This perceived ability to produce pathways to achieve desired goals depends on the provision of a good working environment/organisational structure contributing to social capital for workers' career progression by the companies concerned. This study researched what type of company promotes workers' career progression and then researched the relevant factors within this type of company that enable employees to have this perceived ability to produce pathways to achieve their career progression.

"Pathways thinking" refers to one's belief that one can find a workable route to one's goals (Snyder *et al.* 2000). A major characteristic shared with the pathways component of hope theory is the explicit emphasis on finding one or more route to reach the problem-solving solution (D'Zurilla 1986 *cited by* Snyder *et al.* 2000). Workers who have experienced career progression within their companies had pathways to build social relationships with those whom they hope would provide the most assistance with career progression. This raises the question, "Who helped them with their career progression?" It is important to understand the processes/pathways, and then to develop the social capital that facilitates those in order to contribute to the persistence of the belief that the pathways identified will eventually lead to their desired goal. This is because in addition to identifying a workable pathway, a person must also have the motivation to progress along that imagined route to the goal. Within hope theory, the goal-directed determination that underlies such movement is referred to as agency (Snyder *et al.* 2000). Pathways

and agency thoughts iterate, and together drive goal attainment and nonattainment. The consequences of attaining or not attaining the goal then produce emotional reactions. That is, in hope theory, the emotions result from the hope-related cognitions that flow from one's perception of either having attained or not attained the desired goal/career progression (Snyder *et al.* 2000). Furthermore, higher hope corresponds with enhanced interpersonal relationships (Snyder and Lopez 2011). Therefore, if rural migrant workers have high hopes for their career progressions, interpersonal relationships between rural migrant workers and urban workers will be enhanced, which is good for rural migrant workers' inclusion within urban communities in China.

The application of Snyder Hope Theory to examine the social capital in companies shows what type of company and what kind of structure of relations in companies promote employees'/rural migrant workers' career progression and employees' collective cohesion. For details see 5.1.

Furthermore, the economic and political performances of societies, from villages to international communities, depend critically on how the members of a community solve the problem of collective action (Ostrom and Ahn 2010). Collective-action problems arise whenever individuals face alternative courses of actions between short-term self-regarding choices and one that, if followed by a large enough number of individuals in a group, benefits all. The problem is one of overcoming selfish incentives and achieving mutually beneficial cooperative ways of getting things done. Ostrom (1998) thought that solving the dilemma of collective actions is not that easy; whatever others do, an individual is always better off in the short run by not cooperating with others (*cited by* Ostrom and Ahn 2010). Collective-action problems have been considered the central problem of political science (Social capital is viewed as an attribute of individuals and of their relationships that enhances their ability to solve collective action problems (Ostrom and Ahn 2010). Social capital makes an organisation, or any cooperative group, more than a collection of individuals intent on achieving their own private purposes (Cohen and Prusak 2001). Three broad forms of social capital that are particularly important in the study of collective action have been selected: (1) trustworthiness, (2) networks, and (3) formal and informal rules or institutions (Ostrom and Ahn 2010). Trustworthiness,

networks, organisational institutions and structure (how people are connected with each other in companies) have been studied respectively in private companies and one SOE to evaluate the organisational ability to promote mutual reciprocity between rural workers and urban citizens and cohesion among employees in the context of their working environment. See chapter 5.

## CHAPTER THREE

### Literature review

- 3.1 Analysis of the collectivist centrally planned economy relevant to state owned enterprises
- 3.2 Macro level analysis of democratic strain social capital from the perspective of the political economic system in China
  - 3.2.1 Democratic centralism and Chinese people's collectivist spirit
  - 3.2.2 The role of "bonding", "bridging" and "linking" forms of social capital in democratic community building
  - 3.2.3 Individualism versus collectivism in China
  - 3.2.4 Leadership styles in Chinese companies
  - 3.2.5 Discussion concerning ways to accumulate social capital
- 3.3 Macro level analysis of socialist market economic system from the perspective of the "organic solidarity" and the rational strain of social capital in the context of the Chinese political economic system
- 3.4 Internal migration in China
- 3.5 Social capital and its impact on rural migrants
- 3.6 The theoretical framework of social capital
  - 3.6.1 Interaction and distance
  - 3.6.2 Norms
  - 3.6.3 Different levels of social capital

## Introduction

The first three subchapters in the literature review form a macro level analysis of the collectivist centrally planned economy relevant to SOEs from the perspective of the Marxist strain of social capital theory (Bourdieu 1986) and “mechanical solidarity” (Durkheim 1893 *cited by* Lukes 2014); a macro level analysis of the democratic strain of social capital from the perspective of the political economic system in China and a macro level analysis of socialist market economic system from the perspective of “organic solidarity” (Durkheim 1893 *cited by* Lukes 2014) and the rational strain of social capital (Coleman 1990a) in the context of the Chinese political economic system. Subsequently, within subchapters, internal migration in China is considered in light of social capital and its impact on rural migrants. The final subchapter in the literature review constructs the theoretical frame of social capital and research model building. A model combining meso level social capital (companies), with macro level social capital (institutions) and micro level social capital (individuals) is revealed, thus linking a macro level analysis of social capital in China to the meso level analysis of social capital in organisations (private companies and an SOE) and the micro level analysis of the social capital of rural migrant workers.

State owned enterprises remain the backbone of the Chinese economy (Peverelli and Song 2012). The operational mechanism of SOEs reflects Chinese macroeconomic policies to a certain extent. Therefore, in this chapter the collectivist economic planning period/command economy, which is related to SOEs, has been analysed and the question of whether state owned enterprises (SOEs) can provide rural migrant workers with an inclusive environment and if a bond of sympathy and cohesion is developed between members of SOEs is posited. This chapter then analyses the importance of ‘bridging’ and ‘linking’ forms of social capital, and finds that the initiation of ‘bridging’ and ‘linking’ forms of social capital is required. Coleman’s rational strain of social capital indicates that social capital worked in a way that was broadly comparable to, and congruent with, the role of the ‘invisible hand’ of the market in classical economic theory (Heinze and Strunck 2000: 179 *cited by* Field 2008). However, central to the economic or rational strain in contemporary social capital theory is the rational choice conception of the actor as an essentially self-interested individual whose behaviour, guided by instrumental

reason, always takes the form of strategic action (Lewandowski 2006); this strain of social capital theory understands trust among actors as horizontally thin (Lewandowski 2006). Therefore, this chapter poses the research question of whether the market mechanisms can play their regulatory role in promoting universal prosperity with respect to their working environment in China. At the meso level, this chapter discusses the leadership styles of Chinese companies and poses the research question of whether such leadership styles can assist in the company's development and the inclusion of rural workers within an urban society. This chapter also expounds the theoretical framework of social capital, thus, the macro level analysis of social capital in China is linked to the meso level analysis of social capital in organisations (private companies and an SOE) and the micro level analysis of the social capital of rural migrant workers.

### **3 Literature review**

Lewandowski (2006) thought that social capital consists of those networks of trust and social norms that facilitate human actions of various kinds (*cited by Edwards et al. 2007*). An early concept of social capital can be seen in Hanifan's discussions of rural school community centres (Hanifan 1916). He used the term to describe: "those tangible substances that count for most in the daily lives of people." (1916: 130). Hanifan was particularly concerned with those factors such as, good-will, fellowship, sympathy and social intercourse within the "make up of a social unit". A broader, more modern view (World Bank 1999) is that: "Social capital refers to the institutions, relationships, and norms that shape the quality and quantity of a society's social interactions". Thus, there are three main actors, the individual, the community and national/international institutions, including the government.

The position on social capital as a collective asset is represented by the works of Coleman and Putnam (Lin *et al.* 2001). Coleman (1994) and Putnam (1993, 1995) have tended to emphasise the importance of horizontal linkages. Coleman places emphasis upon the role of the individual in a "rational theory" approach where the essence of social capital consists of activities and relationships freely engaged in by individuals. Putnam sees the main coordinating role at a community level. Other writers, for example, Evans (1996) and Skocpol (1996) are more supportive of the

role of central government (*cited by* Warner 2001). Consequently, all the named authors emphasise the link between the individual and society but strongly disagree as to the relationship between prime actors (Grootaert *et al.* 2008).

Some argue that when harnessed social capital generates economic returns at the organisational level (Cohen and Prusak 2001: 10):

Better knowledge sharing - owing to established trust relationships, common frames of reference, and shared goals.

Lower transaction costs - owing to a high level of trust and a cooperative spirit

Low turnover rates – thus reducing costs, avoiding discontinuities, and maintaining valuable organisational knowledge.

Greater coherence of action - owing to organisational stability and shared understanding.

Putnam (1993: 167) preserves the focus on action facilitated by social structure: “Social capital here refers to features of social organisation, such as trust, norms, and networks, that can improve the efficiency of society by facilitating coordinated action.” For Putnam social norms facilitate the kinds of mutual obligations and cooperative actions that make democracy work. Correspondingly, studies by Putnam (1993) suggest that high levels of social capital contribute to improved child development, population health, safety, security, levels of friendliness, happiness and well-being, in addition to economic prosperity.

However, Putnam’s (1993) conception of social capital inflates the morally bonding function of such norms into association-transcending democratic ideals. Communities that bond strongly can neglect the people and spaces beyond their own community. Thus, “bridging” and “linking” forms of social capital may ensure that the outcome of this economic system is directed to the benefits of all of society (Halpern 2005). Viewed within this framework of the rational choice conception of action, social capital amounts to those organised bridging connections between and among individuals, which have functional utility (Lewandowski 2006). Accordingly, individuals will still play an important role if it is this aspect that is to be explored.

Misztal (1996: 80-86) and Sztompka (1999: 66) thought that rational choice theory omits consideration of basic elements of human behaviour such as altruism, love and friendship (*cited by* Field 2008). Thus the role of social capital in supporting rural migrant workers is complex and worthy of further study.

### **3.1 Analysis of the collectivist centrally planned economy relevant to SOEs**

In this subsection, the centrally planned economy (1953-1978) is analysed from the perspective of the Marxist strain of social capital theory (Bourdieu 1986) and “mechanical solidarity” (Durkheim 1893 *cited by* Lukes 2014). SOEs have the components of a centrally planned economy. This subsection posits the question as to whether there is a bond of sympathy and cohesion that has developed between members of SOE. This subsection also posits the question: can SOEs provide rural migrant workers with an inclusive environment? Because of the similarities between the operation of SOEs and the Marxist strain of social capital (Bourdieu 1986), as analysed in this subsection, this case study will research the social capital in SOEs to give new insights for the Marxist strain of social capital theory. Furthermore, this subsection also analyses the functions of weak ties (Granovetter 1973 *cited by* Edwards *et al.* 2007) and strong ties (Granovetter 1973 *cited by* Edwards *et al.* 2007), and emphasises the importance of norms concerning cooperation in unequal power relationships. Thus the subsection also gives rise to a question: what are the ways to cultivate cooperative norms regarding working environments in China?

State owned enterprises remain the backbone of the Chinese economy (Peverelli and Song 2012). State operated enterprises are referred to as enterprises “owned by the entire people”. The constitution of the People’s Republic of China guaranteed public ownership as the highest form of ownership. The private enterprises already existing during the establishment of the PRC were not part of the public ownership (Peverelli and Song 2012). The main difference between the state operated enterprises and all other types was that the former were able to offer complete social security from cradle-to-grave (Lu and Perry 1997). Once people were assigned to such an enterprise, housing, medical care and an old age free of financial problems would be more or less secured (Peverelli and Song 2012). As above, to a certain extent, the operational mechanism of SOEs reflects Chinese macroeconomic policies. In the old command economy, the planner issues commands that assigned



production targets to enterprises and directly allocated both factors of production and provided inputs to them. The SOEs had very little autonomy: they could not adjust their labour forces, nor could they retain any of their profits (Knight and Ding 2012). The SOEs would hand over their profits to the state in return for an annual allowance based on the budgeted needs for the next year period. At present, the SOEs pay corporate income tax to the tax authorities and retain the remainder of the profits. In theory, they are responsible for their own profit and loss. In case an enterprise is not able to finance a certain investment by itself, it will have to take a loan from a bank. However, as most of the banks are still SOEs themselves, being the debtor of a certain bank may put a Chinese enterprise in a daughter-in-law type of position in the Chinese cultural context (Peverelli and Song 2012). Concerning the nature of the SOEs and private companies, the SOEs have a number of privileges over private enterprises. They have easy access to bank loans, which private enterprises in general do not have. Such privileges are the result of the practice during the period of planning when resources were allocated to the state enterprises by the planning authority and the banks simply provided funds to them to carry out the assigned productive activities (Chow 2015). Although China is a market economy today, the scope of planning is still quite broad (Chow 2015). Only the content of the plan is different. Previously the State Planning Commission had to coordinate the outputs and inputs of SOEs; however, in the current setup the need to coordinate the demands from different ministries or from different provincial governments, to determine priorities, and to come up with a final consistent plan still remains (Chow 2015). Furthermore, through empirical study, undertaken as part of this research, it has been confirmed that SOEs have the components of a centrally planned economy (see 5.10), thus necessitating analysis of the planned economic system to understand their operational mechanism.

In a planned economy there is a central planning authority that decides what to produce and how to distribute the goods produced, for both consumer goods and factors of production. It also decides how much to invest and the allocation of investment funds to the producers. All the decisions concerning production, distribution, and capital accumulation are centralized and are under the control of the planning authority (Chow 2015). As above, the operating system of the centrally planned economy worked in a way that was similar to the Marxist strain of social

capital (Bourdieu 1986). The reasons for this are also as follows: Bourdieu (1986: 248) provides a concise definition: "Social capital is the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition." For Bourdieu, social capital is related to the social network of mutual acquaintance and recognition; further, this social relationship network is more or less institutionalised. Therefore, institutions play a leading role in this social capital model (Kay and Johnston 2007). For Bourdieu, people's network of relationships is a product of investment strategies aimed at establishing or reproducing social relationships that are usable in the future (Bourdieu 1986:249 *cited by* Kay and Johnston 2007). There is a leading role of command political economic institutions in SOEs because the inputs of plan formulation of SOEs are targets from ministries on projects under the state's control (Chow 2015). In the market economy today, much of the administrative process for plan formulation before 1978 is still applicable (Chow 2015). From this perspective, it manifests the similarities between the centrally planned economy relevant to SOEs and the Marxist strain of theory of social capital (Bourdieu 1986). It was also conjectured that state owned businesses might operate in a way that was similar to the Marxist strain of social capital. The Marxist strain of social capital theory is integrated into the research of SOEs in this study.

The Marxism strain sees social capital as a pre-dispositional marker of class identification and conflict (Lewandowski 2006). Bourdieu emphasized the importance of social capital – the access to resources and networks that privilege some and excludes others. He investigated how social and cultural status and attainments are associated with class position, and contributed to enduring socio-economic advantage or disadvantage (Harriss and White 2013). Thus, for Bourdieu, social capital is another way of maintaining and reproducing the dominant class (Lin *et al.* 2001). It was revealed, in Bourdieu's (1986) Marxist strain of social capital theory, that it was a highly group-specific, context-dependent and socially stratifying resource; membership in a group which provides each of its members with the backing of the collectively-owned capital, a 'credential' which entitles them to credit, in the various sense of the world (Bourdieu 1986 *cited by* Kay and Johnston 2007). As described earlier, in terms of people who were assigned to SOEs, housing,

medical care and an old age free of financial problems would be more or less secured (Peverelli and Song 2012). This study integrates, for the first time, the Marxist strain of social capital theory (Bourdieu 1986) into the research of SOEs. Therefore, this study has also researched whether SOEs could provide rural migrant workers with an inclusive environment.

On the other hand, the planned economy is based on the unitary value - collectivistic work ethics (Hu and Lu 2008). Social equality was once an important objective of socialism and in the pre-reform planned economy (Hu 2011). The Chinese planned economy from 1953 to 1978 did not cover the entire Chinese economy because the planning authority could not control all the economic activities of such a large country. Planning was interrupted by the political turmoil of the Great Leap Forward movement and the Cultural Revolution (Chow 2015). "The influence of economic determinism on human thought and behaviour became traceless in Mao's China" (Li 2009). At that time (1958), peasants were exhorted to rush into communism. After agricultural collectivization, Chinese leaders believed the communist utopia was just around the corner, if only peasants would simply embrace it. Rural cooperatives gradually gave way to communes, which were seen as China's first track to communist success. Under the commune system, all assets were taken away from households and managed as collective goods. A glittering and disastrous invention that swept rural China in 1958 was the commune canteen. Originally conceived as a way to save time and facilitate co-ordination in farming, the commune canteen was promoted and defended as a precursor to communism. Grain was not allotted to each household as had been the case previously, but was all stored in the commune canteen. Peasants were allowed to eat as much and as often as they wished in a commune canteen. Not surprisingly, everyone ate as if there were no tomorrow. For a very short time, the commune canteen afforded Chinese peasants a glimpse of a communist utopia (Coase and Wang 2013). In urban areas, the security of employment and favoured treatment of SOEs constituted the "iron rice bowl" employment regime that also reflect the idea of equalitarianism in the planned economy (Goldman and MacFarquhar 1999). To this day, in ordinary people's thoughts, we still remember that when we want to mention egalitarianism, we say: "Egalitarian practice of everybody eating from the same big pot". For all that, during the planned economy era China was one of the most equal countries in the world.

China was generally an egalitarian society where income differences were small. China's overall Gini coefficient was 0.28 in 1983, which made China one of the most equal countries in the world (Naughton 2007 *cited by* Hu 2011). It is always possible that equality is both a precursor to and a result of trustful relations. Trust might well enhance cooperative relations of the sort that drive redistributive programmes, while equality might also be a precursor to a politically valuable trust. If this turns out to be the case, then, perhaps, the correct conclusion to draw is that societies that already enjoy a high degree of equality are ones in which social welfare programmes that sustain or enhance equality are most likely to succeed (Kay and Johnston 2007). Even so, China used to be one of the poorest countries and even in the 1980s it was ranked among the poorest third of all countries (Naughton 1995 *cited by* Hu 2011).

The social capital literature discusses the problems of social solidarity in terms of a distinction between bridging and bonding relations. Bonding relations refer to connections among those who already feel connected because of shared identity-related characteristics (Kay and Johnston 2007). Bridging relations refer to connections among people who do not share identity-related characteristics (Kay and Johnston 2007). Social equality was an important objective of socialism and in the pre-reform planned economy (Hu 2011). Mao Zedong's view of socialism did not favour individualism but rather the constant promotion of collective efforts and solidarity within farms and factories (Chow and Perkins 2014). China was an egalitarian society 30 years ago (Shi 2013). That being the case, people shared identity-related characteristics in that era. This can be a sign of bonding relations among people. According to Robert Putnam, "bridging social capital can generate broader identities and reciprocity, whereas bonding social capital bolsters our narrower selves." Bridging relations are indicative of the presence cooperation in society in general, while bonding relations create "strong in-group loyalty, and may also create strong out-group antagonism" (Putnam 2000:23). Comparably, for Bourdieu (1986), social groups are implicit or probable classes in the sense that their existence, identity, and membership are determined by non-voluntary predispositions shaped by everyday struggles over the consumption and distribution of limited economic, social and cultural resources (Kay and Johnston 2007). Bourdieu (1986) identified that social capital promotes inter-group distrust and struggles although it facilitates intra-group mutual recognition, solidarity, and obligations among individual

group members as he conceives of social capital as a socio-cultural marker (*cited by* Lewandowski 2006). Social norms in this strain are thus primarily pre-reflective, stratifying norms of consumption that, for instance, predispose some actors to “choose” to drink beer instead of wine, or to “join” rugby clubs rather than bird-watching societies. There is a persistent weakness in the Marxist strain’s theory of practice and social capital. That weakness stems from the overly close fit between habitus and field upon which Bourdieu’s account of social capital depends. Habitus is the shared set of durable dispositions, perceptive schemes, and ingrained orientations that function as the structure for the production and reproduction of human action or practice. Habitus is for Bourdieu a pre-intentional “feel for the game” that enables and limits individual and collective practices within particular contexts. Habitus facilitates and constrains action inasmuch as it equips actors with a sense of the practicable for what is to be done in given situations. Bourdieu characterises such given situations as “fields” or “fields of struggle”. For here the intra-group bonding and inter-group stratifying “credit” of social capital is a function of a pre-reflective habitus-field homology. Consequently, in this strain social capital does not facilitate actions; rather, it determines them (Lewandowski 2006). Hence, while avoiding the rational reductionism and moral inflationism of the other strains of social capital theory, the Marxist strain suffers from a tendency towards functionalistic homologism – that is a non-voluntary predisposition (Lewandowski 2006). Egalitarianism guided China’s economic development in the Chinese planned economy when Mao Zedong was in power (Zheng 2004). For Mao, social justice was more important than economic development. Mao’s time was an example of plan rationality (Zheng 2004). The plan rationality is similar to pre-reflective habitus-field homology that is a non-voluntary predisposition in the Marxist strain of social capital theory. Furthermore, the proponents of the New Left believe that Maoist ideology play an important role in the strengthening rural collectivism, reducing income disparities among peasants and thus maintaining rural stability. For the New Left, the Maoist ideology is still capable of providing individuals, especially lower level government officials, with “spiritual” motivation to lead local development. According to the New Left, Maoism’s contribution to China’s economic growth lies in its collectivism (Zheng 2004). Shih (1999) thought that in socialist China, collective culture has been an intrinsic part of economic development and a foundation for the collective economy. Compared with Western experiences where the middle classes

have emerged as key economic actors and have demanded concomitant rights for individual political participation, SOEs in China assumed most responsibilities for modernization during the PRC's first forty years and therefore became the dominant capital holders in the country. Reform in China, which decentralizes financial resources to state enterprises, only serves to consolidate collectivism in SOEs. Those who request political participation are more frequently delegates of collective units, not individual citizens (Shih 1999). This Maoist ideology that is the spirit of collectivism may work in a way that is similar to the intra-group bonding social capital in the Marxist strain of social capital theory. As above, the collectivist planned economy which caused the general egalitarianism in China (Chow and Perkins 2014) may work in a similar way to the Marxist strain of social capital (Bourdieu 1986). Because the Marxist strain of social capital theory is integrated into the research of SOEs in this study, and intra-group bonding social capital, as described in the Marxist strain of social capital theory, facilitates intra-group solidarity, there may be a bond of sympathy and cohesion that has developed between members of SOE. This study puts forward the question of whether there may be a bond of sympathy and cohesion that has developed between members of SOE. This case study will research the social capital in SOEs to provide new insights for Marxist strain of social capital theory (See chapter 5).

Further, according to Cui (1996), because of collectivism in which Maoism's contribution to China's economic growth lies, China needs to look to Mao Zedong for its industrial management and reform because Mao's industrial practice provided one of, if not the, most important modern forms of industrial management; that is, management through workers' participation (Zheng 2004). Collective culture was a foundation for the collective economy in the era of the Chinese planned economy (Shih 1999). Individualist and collectivist societies differ in terms of the civic participation of their citizens. Those living in countries with a more collectivist culture are more likely to engage in volunteering than are individuals living in countries with more individualist cultures (Pancer 2015). From this perspective, centrally planned economy/institutions in Mao's China promoted civic participation. Further, there was often a top-down dimension to these voluntary activities in China (Shapiro 2012 and Callahan 2010 *cited by* Cook *et al.* 2015).

Likewise, as Harriss (2002) put it in his book *Depoliticising Development*, the mainstream social capital literature has an unfortunate anti-politics bias. Social capital, or 'civic engagement', is portrayed as an alternative to organized politics, especially state intervention (Beckert and Zafirovski 2011). For example, 'civility' or 'civicness' (which is how Putnam also talks about 'civic engagement', in his version synonymous with 'social capital') implies notions of impartiality of treatment and of the equality of individuals as citizens before the law (Harriss 2002). Most civic associations do not fall directly within the public realm in that civic engagement denotes "people's connection with the life of their communities, not merely with politics" (Putnam 1995b:665). Much of associational life is not explicitly political in nature. Still, while most civic associations do not fall directly within the public realm and while much of associational life may not be explicitly political in nature, such "non-political" civic associations have important political consequences, e.g., with regard to the role that civic associations may play in promoting civic education, fostering civic skills, and bridging social cleavages. Moreover, such associational life may well serve to undergird the public realm by helping to keep the power of governmental coercion at bay (Smidt 2003). The concept of 'civil society' implies the existence of laws and of less formal codes for conduct. It is when people generally believe in the legitimacy of these institutions, and are reasonably confident that the values and norms that inhere within them will motivate those who are concerned in implementing them, that civicness/civil society flourishes, and there is a fair degree of generalized societal trust – as Putnam actually states in his discussion of the history of civic organization in Italy. However, it is not at all clear logically, nor demonstrable empirically, that these conditions arise from the existence of horizontal, voluntary associations (Harriss 2002). Critics argue that Putnam and his followers generally ignore the important role that institutional structures, particularly the state, play in the formation and continuation of associational life and that the process of social capital production not only has social, but structural, antecedents (Smidt 2003). In reality the very existence of civic engagement requires the existence of a civil society, which in turn presupposes an institutional framework put into place through the agency of a state (Harriss 2002). It is wrong to suppose that social capital is something that arises or declines in a realm apart from politics and government (Harriss 2002). Harriss (2002) thought that civil society is established in relation to institutions that are defined by the state. Therefore, portraying civic

engagement and organized politics as two exclusive alternatives creates a false dichotomy, which is intended to discredit organized politics and the state (Beckert and Zafirovski 2011).

On the other hand, according to Durkheim (1893), mechanical solidarity is “solidarity which comes from likeness”. Mechanical solidarity referred to relationships based on common bonds and obligations, which is similar to collectivism (Matsumoto 2001). Durkheim and Mauss (1963) conceived the elemental unit of social structure as block-like structures characterized by mechanical solidarity – coherent and homogenous blocks. In modern society, it was postulated by Hsung and Breiger (2009) that the relationship between individuals and societies is more pluralistic and diversified; structures characterized by organic solidarity are therefore independent and heterogeneous blocks (*cited by Lin et al. 2014*). Durkheim (1893) believed that traditional power-dominated society is knitted together by “mechanical solidarity” (*cited by Lin et al. 2014*). Such societies are relatively homogenous and people have similar experiences. The norms, values and beliefs of the society (or the collective conscience) are so homogenous and confront the individual with such overwhelming and consistent force, that there is little opportunity in such societies for individuality or the deviance from this collective conscience. The collective conscience and individual consciences are virtually identical (Elwell 2003). In traditional societies, people tend to regard themselves as members of a group; the collective conscience embraces individual awareness and there is little sense of personal options (Elwell 2003). From this perspective, egalitarianism (Chow and Perkins 2014) that can be caused by the collectivist planned economy is analogous to “mechanical solidarity” (Durkheim 1893 *cited by Lukes 2014*). Durkheim (1893) explained that it is in lower society that this commonality makes people realize that they are a collective rather than a centrifugal force. It should not be judged that an action shocks the common conscience because it is criminal, but rather that it is criminal because it shocks the common conscience (*cited by Lukes 2014*). The prospect of loss of identity through defection may be a strong incentive for loyalty (Hirschman 1970). The degree to which close social identities characterize the group can make cooperation more likely (Lewandowski 2006). Accordingly, it can be seen that in a society of mechanical solidarity, collective cohesion is strong.



However, the coherent and homogeneous society as characterised by Durkheim's "mechanical solidarity" (Durkheim 1893) lacks weak ties (Granovetter 1973 *cited by* Edwards *et al.* 2007). There was little individuation in such societies (Elwell 2003). An analysis of the functions of weak ties (Granovetter 1973 *cited by* Edwards *et al.* 2007) and strong ties (Granovetter 1973 *cited by* Edwards *et al.* 2007) emphasises the importance of norms concerning co-operation within unequal power relationships. The specific terminology of bonding and bridging ties was first introduced by Gittel and Vidal (1998) as recognitions of Granovetter's convictions on the importance of strong and weak ties. Granovetter defined the strength of ties as: "a (probably linear) combination of time, the emotional intensity (mutual confiding), and the reciprocal services which characterize the tie" (Granovetter 1973: 1361 *cited by* Edwards *et al.* 2007). Granovetter argued that strong and weak ties played separate functions in individuals' lives to the extent that weak ties bridged individuals in different structural positions, whilst strong ties could lead to the formation of cliques. Clearly, Granovetter saw weak ties as an asset, in opposition to strong ties: "weak ties, often denounced as promoting alienation are here seen as indispensable to individuals' opportunities and to their integration into communities; strong ties, breeding local cohesion, lead to overall fragmentation" (Granovetter 1973: 1378 *cited by* Edwards *et al.* 2007). This shows that the formation of an exclusive circle of people with a common purpose will not benefit every individual in a society. Granovetter and the network theorists claim that weak ties or structural bridges are of greater value to individuals in accessing important resources than strong ties because those unlike us are more likely to possess goods that we, and those like us, lack (Granovetter 1973: 1366; Burt 2000; Lin 2001 *cited by* Edwards *et al.* 2007). Bridging relations were those that really helped one "get ahead", by allowing individuals and groups access to those resources that would allow them to leverage themselves to another, presumably, better-position (Woolcock 1999). Putnam claimed that: "a vertical network, no matter how dense and no matter how important to its participants, cannot sustain social trust and cooperation" (Putnam, Leonardi and Nanetti 1993: 174). In comparison, Woolcock links forged the large power gap between citizens and governments which can create "cooperation, accountability and flexibility" if combined with organizational integrity, or the presence of government agencies with a Weberian professional ethos and efficient administration (Woolcock 1998: 175; Woolcock 1999). The difference lies in how the degree of "verticality" of a

relationship intersects with other elements of social capital, such as norms and identities; while vertical relations have the potential to link between different strata and create synergy, they can also facilitate relations of dependence and subjugation (Lewandowski 2006). Co-operation in unequal power relationships can also be achieved if there are strong and conjoint norms that prevent those with more power from exploiting their position to benefit from collective action (Lewandowski 2006). As has been noted, in a society with a norm of comprehensive conformity, relations of dependence and subjugation can be facilitated; nevertheless, it seems that in a society with norms of cooperation, reciprocity, duty, organizational integrity, and the presence of government agencies with efficient administration, “cooperation, accountability and flexibility” (Woolcock 1998: 175; Woolcock 1999) can also be created even though it is a vertical network in society. China is a country with a high power distance culture. Subordinates are less likely to challenge or express disagreement with superiors. The rank structure is clearly delineated between management and subordinates, and disagreement with management is frowned upon (Robert *et al.* 2004). Thus, this study will also explore ways in which to cultivate a co-operative norm within the context of a working environment in different types of companies.

In summary, through the review of the centrally planned economy above, it shows a centrally planned economy in Mao's China promoted civic participation; however, it lacked weak ties (Granovetter 1973 *cited by* Edwards *et al.* 2007). China was one of the poorest countries in the era of the centrally planned economy (Naughton 1995 *cited by* Hu 2011). Furthermore, the collectivist centrally planned economy which caused the general egalitarianism in China (Chow and Perkins 2014) may work in a similar way to the Marxist strain of social capital (Bourdieu 1986). The Marxist strain suffers from a tendency towards functionalistic homologism (Lewandowski 2006). The Marxist strain of social capital theory is integrated into the research of SOEs in this study. The case study approach will research the social capital in SOEs to give new insights for the Marxist strain of social capital theory in the Chinese macroeconomic environment (See chapter 5). Because China is a country with a high power distance culture (Robert *et al.* 2004), this study will also explore ways in which to cultivate a co-operative norm within the context of a working environment in this power distance culture.

### **3.2 Macro level analysis of the democratic strain of social capital from the perspective of the political economic system in China**

China practises democratic centralism. Lying behind the orthodox version of democratic centralism is a distinctive form of collectivism (Waller 1981). Collectivism leads to altruism (Landauer and Rowlands 2001). Collectivism is a basic cultural element that exists as the reverse of individualism that exists as the reverse of individualism in human nature. Collectivist orientations stress the importance of cohesion within social groups and in some cases, the priority of group goals over individual goals (Webster 2016). Lewandowski (2006) maintained that the democratic strain in current social capital theory conceives of social capital as the communal inventory of “generalised trust” and social norms which facilitate the kinds of mutual obligations and co-operative actions that make democracy work. As above, because of the similarities between mutual obligations and cooperative actions and collectivism, democratic centralism may work in a way that is similar to the democratic strain of social capital. However, the democratic strain of social capital is imperfect in China as the democratic system is not perfect. President Xi says China’s reforms have entered a “deep-water area” (2013). The reforms have faced powerful resistance by vested interests, above all local governments, huge state-owned enterprises and the new middle classes, which would rather not share the fruits of growth with rural migrants. The economic reforms and economic policies of the Xi Jinping leadership aims to limit the role of government while giving a decisive role to the market economy and to confer urban family registry upon famers who have moved from rural areas to urban areas and to grant them urban public services, including residential security, social security, and compulsory education for children, while driving the growth of China through urbanisation (Tanaka 2015). China must “venture along dangerous paths to break through barriers to reform presented by ideological differences and vested interests” (Xi 2012 *cited by* Green *et al.* 2013). This is compatible with some thoughts of Grootaert (2008). Many groups segregated by class and occupation may build cooperation and trust only among group members, perhaps even encouraging distrust between members and non-members (Grootaert *et al.* 2008). Accordingly, this subsection analyses the role of “bonding”, “bridging” and “linking” forms of social capital in democratic community building so

this study will seek to evaluate the role of “bonding”, “bridging” and “linking” forms of social capital in the inclusion of rural migrant workers within urban communities in the context of their working environment. Furthermore, because family and kin ties interpenetrate into ties in socioeconomic institutions to a greater extent in China (Lin *et al.* 2014), this subsection also poses a question about what kind of structure of the relations between persons and among persons in companies can promote people’s social trust outside their usual circles of kinship and personal acquaintances. It also poses a question as to what kind of Guanxi promotes the inclusion of rural workers in companies. This subsection also analyses ways to accumulate social capital. At the meso level, this subsection analyses the leadership styles of Chinese companies and poses the research question of what type of leadership style in companies suitable for Chinese companies’ development and the inclusion of rural workers within an urban society. For details please see the following analysis.

### **3.2.1 Democratic centralism and Chinese people’s collectivist spirit**

The democratic strain in current social capital theory conceives of social capital as the communal inventory of “generalised trust” and social norms, as defined by Lewandowski, which facilitate the kinds of mutual obligations and cooperative actions that make democracy work. Meanwhile, Lewandowski (2006) also maintained that the political or democratic strain in contemporary social capital theory has followed Tocqueville in arguing for a causal link between networks of trust and social norms and the practical realisation of the political ideals of democracy. For Putnam, social capital, despite its potential “dark side” in the form of closed networks is on balance a productive resource that enables the democratic resolution of collective action problems, “grease the wheels that allow communities to advance smoothly,” and develops and maintains “character traits that are good for the rest of society” (Putnam 2000: 288).

China has issued a white paper on political democracy. It describes China as always adhering to the basic principle that the Marxist theory of democracy be combined with the reality of China in building a socialist political democracy

(Bergsten *et al.* 2008). China's socialist political democracy shows distinctive Chinese characteristics. Such characteristics are as follows:

- China's democracy is a people's democracy under the leadership of the Communist Party of China (CPC).
- China's democracy is a democracy in which the overwhelming majority of the people act as masters of State affairs.
- China's democracy is a democracy guaranteed by the people's democratic dictatorship.
- China's democracy is a democracy with democratic centralism as the basic organizational principle and mode of operation (Bergsten *et al.* 2008).

Democratic centralism is China's fundamental system of organization and leadership. Democratic centralism is a system that integrates centralism on the basis of democracy with democracy under centralized guidance. Democratic centralism is at once democratic and centralized, with the two seeming opposites of democracy and centralization united in a definite form. The two aspects of the contradiction coexist in a single entity. Moreover, developing countries need to protect and nurture their industries before they acquire the capabilities to compete in the world market unassisted. In the earlier stages of development, markets do not function very well for various reasons: poor transport, poor flow of information, and the small size of the market that makes manipulation by big actors easier. This means that the government needs to regulate the market more actively and sometimes even deliberately to create some markets. In those stages, the government needs to do many things itself through state-owned enterprises because there are simply not enough capable private-sector firms which can take up large-scale, high-risk projects (Chang 2010). Virtually, all of today's rich countries used protectionism and subsidies to protect infant industries (Chang 2010). From the above comments, it is evident that, centralism also plays an important role in the market economy.

Democratic centralism ensures, from the perspective of economic foundation, that China's democracy will not be manipulated by capital; it is not a democracy for a small number of people, but one for the overwhelming majority of people

(International Business Publications 2015). In the Mao Zedong Anthology, Chairman Mao elaborates that the organs of state must practise democratic centralism; the Communist Party must rely on the masses and their personnel must serve the people. They cannot divorce themselves from the masses and they must base themselves on the interests of the people. At no time and in no circumstances should a Communist place his personal interests first; he should subordinate them to the interests of the nation and the masses; it is communists' duty is to hold themselves responsible for the people and the leading bodies of the Party (Mao 1965). Lying behind the orthodox version of democratic centralism is a distinctive form of collectivism (Waller 1981). Democratic centralism is the concrete application of collectivism in political life. Collectivism demands that the group be more important than the individual. It requires the individual to sacrifice himself for the alleged good of the group. Although different from altruism, collectivism complements it well. Altruism demands sacrifice for others and collectivism demands sacrifice for the group. Collectivism leads to altruism (Landauer and Rowlands 2001). Theoretically, collectivism puts public interest ahead of personal interest; consequently, this altruism enables the democratic resolution of collective action problems. For example, Putnam *et al.* (1993) maintained that a public good that is one of fundamental predicament to cooperate for mutual benefit, such as clean air or safe neighborhoods, can be enjoyed everyone, regardless of whether he contribute to its provision. Under ordinary circumstances, therefore, no one has an incentive to contribute to providing the public good, and too little is produced, causing all to suffer (*cited by* Ostrom and Ahn 2013). Nevertheless, with the help of altruism and collectivism, collective action problems can be democratically resolved to a certain extent. The economic and political performances of societies depend critically on how the members of a community solve the problem of collective action (Ostrom and Ahn 2013). China's socialist political democracy is a great contribution to the political civilization of mankind (International Business Publications 2015).

From the perspective of the democratic strain of social capital theory, Putnam (1993) claimed that social capital could be conceptualized as a resource at the community level that individuals could tap into in order to achieve collective goals that could not be accomplished by individuals alone or associations. The aim of social capital should: "...instill in their members habits of cooperation, solidarity, and public-

spiritedness” (Putnam 1993: 89-90). However, Lewandowski’s (2006) analysis of the democratic strain of social capital illustrates that this strain inflates the morally bonding function of social norms into association-transcending democratic ideals. Plural subject associations such as bowling teams and bird watching clubs, may not, as Amitai Etaini (2001) has argued, be “morally trivial”. But neither can their normative force be puffed up as causally democratic. The resolution of collective action problems and the problems of “character traits” that may take place in many associations and social groups do not in any necessary way entail the fostering of democratic mores among individual association members or between associations and social groups. What the rational strain in social capital theory reduces, the democratic strain morally over-inflates (Lewandowski 2006). The core problem with the normative or democratic strain in contemporary social capital theory is what might be best described as “moral inflationism” (Lewandowski 2006).

In comparative terms, voluntary activity in China has been historically embedded and influenced by Confucian ideas of working towards the common good (Wu and Gaubatz 2013 *cited by* Cook *et al.* 2015). In the past 20 years or so, Confucianism has been resurrected, as China’s leaders have realised that the ethical base of Confucianism can help promote a ‘harmonious society’ in which people have responsibilities to others (Shirk 2007 *cited by* Cook *et al.* 2015). Confucius wrote a work entitled the “Chun Chiu” (Spring and Autumn), a chronicle of his native state Lu from 722 to 479 B.C.E. (Upshur *et al.* 2012). Confucius taught that, as in all the ordinary relations and dealings between men in human society, there is, besides the base motives of interest and of fear, a higher and nobler motive to influence them in their conduct, a higher and nobler motive which arises above all considerations of interest and fear, the motive called Duty; so in this important relationship within human society, the relationship between people of a state or nation and the head of state or nation, there is also this higher and nobler motive of duty which should influence and inspire them in their conduct (Ku 2010: 20). Ku Hung-Ming (2010) summarised that in fact the whole system of philosophy and morality taught by Confucius may be summed up in one word: the law of the Gentleman. Now Confucius codified this law of the gentleman and made it a religion: a state religion. The first Article of Faith, in this state, religion represents the principle of honour and duty, a code of honour. In this state, the precept that Confucius taught comprised the

only true, rational, permanent and absolute basis, not only of a state, but of all society and civilisation, is this law of the gentleman, the sense of honour in man (Ku 2010: 21). Because of the code of honour established by the State religion taught by Confucius in China, the people of China were bound to be absolutely loyal to the Emperor. The sacrament of the contract in the State religion taught by Confucius in China might be called the Religion of Loyalty. The absolute duty of loyalty to the Emperor of China, which Confucius taught, derives its sanction from the law of the gentleman, the sense of honour in man, the same simple sense of honour which makes a merchant keep his word and fulfil his contract, and the gambler to play the game and to pay his gambling debt (Ku 2010: 27-28). This duty contributes to the collectivist ideology. For Confucius, shame, virtue, and, as a result, the internalization of social norms and values, constitute the ideal and highest stage of the socialization process. Bakken (2000) observed that in the Chinese discourse, the themes of discipline and control could be found in both 'morality' and 'education'; moreover, the disciplinary and the educational infiltrated each other (Zhong 2009). Rule by morality is more widespread in traditional China than rule by law (Zhong 2009).

As above, the democratic centralism (Bergsten *et al.* 2008), the personal duty (Ku 2010) and the spirit of devotion to collectives (Mao 1965) that collectivism stresses are indigenous features that China has to promote collectivism and China's socialist political democracy. However, the white paper on political democracy demonstrates that despite the tremendous achievements attained in building a socialist political democracy, the CPC and the Chinese people are clearly aware of the many problems yet to be overcome. The democratic system is not yet perfect in China; the people's right to manage state and social affairs, economic and cultural undertakings as masters of the country in a socialist market economy are not yet fully realized (International Business Publications 2015). The history and reality of human political civilization have proved that there is no one single and absolute democratic mode in the world that is universally applicable. To say whether a political system is democratic or not, the key is to see whether the will of the overwhelming majority of the people is fully reflected, whether their rights as masters of the country are fully realized, and whether their legitimate rights and interests are fully guaranteed (International Business Publications 2015). Jiang (2012) comparatively studied in



terms of the role of the state in development. Similar to China in terms of the role of the state in development, Singapore is a typical East Asian country with a developmental state model. The three main ethnic groups in Singapore are Chinese (74.2%), Malay (13.4%) and Indian descent (9.2%). All of three groups are of importance for the stability of the country. However, there will be religious, cultural or social conflicts between these groups, which, if not dealt properly, will pose serious turmoil to the governance and unity of the state. Based on these concerns, the state of Singapore played a much more benign role in ensuring economic equity and helping to maintain harmonious social systems. In contrast, since Han-Chinese are the overwhelmingly predominant ethnic group and there is no threat to the state of China's governance, the developmental state model would give the government too much space to pursue policies which are largely based on the 'selfish' and 'self-maintained' political objectives of the government (Jiang 2012). Moreover, if the state has coercive force, then those who run the state will use that force in their own interest at the expense of the rest of society (Putnam *et al.* 1993 *cited by* Ostrom and Ahn 2013). These are some reasons why the people's right to manage state and social affairs, economic and cultural undertakings as masters of the country in a socialist market economy are not yet fully realized (the people's interests are not fully guaranteed) in China. The specific circumstances are as follows:

President Xi says China's reforms have entered a "deep-water area". China must "venture along dangerous paths to break through barriers to reform presented by ideological differences and vested interests" (Xi 2012 *cited by* Green *et al.* 2013). At a plenum of the Central Committee in November 2013, the party declared that market forces must play a 'decisive role', the strongest support it has ever expressed for the market (Tanaka 2015). The reforms have faced powerful resistance by vested interests, above all, local governments, huge state-owned enterprises and the new middle class, which would rather not share the fruits of growth with rural migrants. The economic reforms and economic policies of the Xi Jinping Leadership aim to limit the role of government while giving a decisive role to the market economy and to confer an urban family registry to farmers who have moved from rural areas to urban areas and to grant them urban public services, including residential security, social security, and compulsory education for their children, while driving the growth of China by urbanisation (Tanaka 2015). This is also consistent with some opinions

of Grootaert (2008) on social capital. Many groups segregated by class or occupation may build cooperation and trust only among group members, perhaps even encouraging distrust between members and non-members (Grootaert *et al.* 2008). Thus necessitate analysis of “bridging” and “linking” forms of social capital. Brehm and Rahn’s (1997) thought that the direction of influence leads from trust in government to trust in individuals (*cited by Lin et al.* 2001). Mutual trust becomes possible when we already trust institutions to catch and penalise defectors. Influence could be reciprocal (Brehm and Rahn’s 1997 *cited by Lin et al.* 2001).

### **3.2.2 The role of “bonding”, “bridging” and “linking” forms of social capital in democratic community building**

Vertical social capital comprises networks of social trust and social connections that are accessible between and among socioeconomic and cultural strata. Social poverty is an absence of vertical social capital. It is a lack of social trust and connections which link individuals and enable freedom of movement up and down the socioeconomic and cultural ladder (Lewandowski 2006). For instrumental goals, collectivism is in need of other and better resources; internal social capital may not be sufficient. There is a need for collectivism to reach out for such resources (Castiglione *et al.* 2008: 63).

For Coleman (1988), social capital is created by rational, purposeful individuals who build social capital to maximise their individual opportunities, so social capital is created by the free will of individuals. Bridging social capital describes more distant connections between people and is characterised by weaker, but more cross-cutting ties; it is good for “getting ahead” in life. Linking social capital describes connections with people in positions of power, and is characterised by relations between those within a hierarchy where there are differing levels of power; it is good for accessing support from formal institutions. It is different from bonding and bridging in that it is concerned with relations between people who are not on an equal footing. As social capital is created when relations among persons are in ways that facilitate instrumental action (Coleman 1990), individuals’ social network can also provide impetus for the better development of the collective. *Guanxi* is viewed as a special

type of social network in the Chinese context, which can be manifested in the forms of a weak tie (a distant *guanxi*), a structural hole (an intermediary), or social resource (properties associated with a *guanxi* partner). *Guanxi* can be viewed as social capital that can help the individual/firm to gain resources, information and influence, and provide competitive advantage for success (Chen and Chen 2004 *cited by* Huang and Bond 2012). As *guanxi* is transferable by movement of central individuals in a relationship, it might be defined as the voluntary use of personal *guanxi* by individuals for the achievement of collective organisational objectives (Tsang 1998; Zhang and Zhang 2006; *cited by* Huang and Bond 2012). Accordingly, “bridging” and “linking” forms of social capital may ensure that the outcome of this economic system is directed towards the benefit of all of society and the collective reaches out to other and better resources (Halpern 2005). For instance, in agriculture, the most important and long-lasting effect of decollectivisation was regained economic freedom. China’s fledgling private sector managed to survive and grow throughout the 1980s. Peasants were soon able to decide what to plant on their land, how much time to spend on farming, and what other jobs to take. The massive relocation of time and labour from farming to non-farming activities led to greater efficiency in farming and also brought horticulture, aquaculture, commerce, handicraft, and industry back to rural China. Peasants were no longer chained to the land, and became free to make their own choices. Thus, the sources of income and employment were greatly diversified and the rural economy grew far beyond agriculture and traditional crafts (Coase and Wang 2013). This also explains the reason why the economic reforms and economic policies under the Xi Jinping leadership aim to limit the role of government while giving a decisive role to the market economy (Tanaka 2015).

Furthermore, bridging social capital is viewed as more important to democratic community and as “creating more desirable outcomes” (Rothstein and Stolle 2002; and Putnam 2000) because bridging the various cleavages within any society is important to forging a democratic community. In contrast, bonding social capital is often represented as hostile to democratic community (Kay and Johnston 2007). According to Robert Putnam (2000), “bridging social capital can generate broader identities and reciprocity, whereas bonding social capital bolsters our narrower selves.” Bridging relations are indicative of the presence of cooperation in society in general, while bonding relations create “strong in-group loyalty, may also create

strong out-group antagonism". However, Bian and Ang's (1997) research in Singapore and mainland China demonstrates that contact with total strangers yields no benefit, and extended family in these societies continues to play a critical role in one's linkage with the larger society; consequently, stronger ties may in fact serve as important bridges extending one's networks (*cited by Lin et al. 2001*). It is in this context that this study seeks to evaluate the role of "bonding", "bridging" and "linking" forms of social capital in the inclusion of rural migrant workers within urban communities in the context of their working environment.

### **3.2.3 Individualism versus Collectivism in China**

Griffiths' (2010) paper shows how individuality arises from a diverse environment structured by relationships to similar peers and distinctly different others, presenting an analysis of the everyday practices of individuality among the migrant workers with whom Griffiths worked in a restaurant in a third tier city in China. Promotion at work and increased income were factors tilting the entire configuration of discourse towards a more urbanised inflection, where civility and aesthetics emerged as structuring principles and "horizontal" assertions of individuality became underscored by "vertical" assertions congruent with emerging construction of "class". This reflects a highly individualized conflation of knowledge (education), civility, and the narrative logic of self-cultivation and control, the consumption of which is shown to be distinctly opposed to those more explicit aspects of moral character, such as, family, and "innately" sociable characteristic, both of which are defined by reference to the Socialist past and the collectivized/ agricultural economy (Griffiths 2010). Similarly, in Herrmann-Pillath's (2011) sample, the Chinese are by far the most strongly convinced of the belief that individual effort brings success, as opposed to luck, and, remarkably, connections; further, the Chinese belief in the crucial role of individual effort in individual success is further bolstered by an equally strong belief that wealth is growing, so that individual success does not come at the detriment to others. From this perspective, China appears to be a modern society replete with people who believe themselves to be in charge of their fate, who expect the environment to be basically supportive of their efforts, and who, therefore, feel that it is worthwhile to invest in individual effort (Herrmann-Pillath 2011). China emerges as a society with

strong relational collectivism in which interests of partners are taken into consideration, but also with a strong degree of individualism: this is because individualism finds its expression in the management of *guanxi* that is an ideal-typical case of relational collectivism, among other forms, such as entrepreneurship. So China does not lie at some extreme position of collectivism, but, actually, it is approximately in the middle in a more complex space of attitudes related to the individual and the group. *Guanxi* refers to relationship (or ties, links or connections) between people. Based on that, *guanxi* further denotes two layers of meaning. First, it refers to relationship in their 'physical', and 'natural' sense, such as, husband-wife, kinship, and friendship. Thus, the concept settles on the existence of the complexity of human interactions. Second, *guanxi* denotes relationship in its 'social' science. For example, sentimentally, love or care between people, or, instrumentally, mutual-interest, benefit or favour between individuals of a particular network. In everyday usage, the second dimension of meaning seems to be given currency (Zhong 2009). Lin (1998) classifies *guanxi* as a type of social exchange, being asymmetric and thus permitting instrumental uses and favour-seeking purposes (*cited by* Zhong 2009). The instrumental uses of *guanxi* are usually associated with its negative meanings, such as nepotism, favourism, cronyism, particularism, bribery, and corruption, especially in China currently. Thus, an overemphasis upon its instrumental uses greatly diminishes the vigour and applicability of *guanxi*, and ultimately damages the acceptability of the concept of social capital in the Chinese context. Yet, an underestimation of its instrumental uses runs counter to the practice and reality, as in China at present (Zhong 2009). Chinese society, by and large, is closely associated with *guanxi*, which could be regarded as the sino-version of social capital (Zhong 2009). *Guanxi* is a web of constraints and a web of individual opportunities at the same time, and its usefulness lies in an expression of achievement orientation in managing social connections (Herrmann-Pillath 2011). In societies such as China and Taiwan, where family and kin are the core structures, strong ties occupy a central position in networks. Weak ties are less likely to be directly evoked and must be accessed through chains of strong ties (Lin *et al.* 2014). Data from mainland China (Bian 1997) suggest that, contact with total strangers yields no benefits, and extended family in such society continue to play a critical role in one's linkage with larger society. Thus strong ties may in fact serve as important bridges extending one's networks (Lin *et al.* 2001). Where family and kin are core structures, family and

kin are expected to provide the foundation for the formation and operation of social relations and networks (Lin *et al.* 2014). Family and kin ties interpenetrate into ties in socioeconomic institutions to a greater extent in China (Lin *et al.* 2014). In Confucianism, '*Li*' is variously translated as manners, ritual, etiquette, propriety and rites (Zhong 2009). According to Dutton (1992), '*li* is the obligation, manner and knowledge of virtue as these existed and were articulated within the traditional Chinese family structure' (1992: 22). The Confucian reasoning is like this: cultivation of the self through observing *li* ensures good management of the family, which in turn allows effective government of the state and finally achieves peace under heaven (*xiushen, qijia, zhiguo, pingtianxia*) (Zhong 2009). As above, this self-sufficient small peasant economy and family-oriented system can contribute to maintaining social stability.

However, the folklore (including the scholarly one) normally emphasizes a cultural feature of the Chinese that implies strong levels of trust with relatives, but endemic mistrust towards society at large, implying a deep gap between one's "own people" and others (Redding 1990; Gabrenya and Hwang 1996 *cited by* Herrmann-Pillath 2011). Hamrin's (2006) analysis of China's social capital demonstrates that these particularistic private social capital for personal and family advancement tend to inhibit the accumulation of public social capital for the common good of the nation. The family-clan orientation inhibited trust outside circles of kinship and personal acquaintance. Philanthropy was targeted at family lineages and hometowns. Social organizations were dependent on vertical ties to patriarchal authority (Hamrin 2006). Furthermore, weak vertical links (a lack of transparent and accountable relationship between the state and individuals and communities) with strong bonding social capital (dominated by kin-based ties) will lead to low levels of social cohesion (Grootaert and Bastelaer 2001). This also explains the reason why China has stressed the importance of the conscientious implementation of the system of making government affairs known to the public. In summary, on the one hand, democratic centralism is propitious to collective action. On the other hand, some of *guanxi*'s effects demonstrate an individualistic phenomenon comprising a web of both constraints and individual opportunities at the same time (Herrmann-Pillath's 2011). It requires further research to investigate the ways to promote social trust outside circles of kinship and personal acquaintance. Especially, this study will

research what kind of social structure/the structure of the relations between persons and among persons in companies can promote people's social trust outside their circles of kinship and personal acquaintances.

### **3.2.4 Leadership styles in Chinese companies**

In countries with a larger power distance culture, people take for granted the inequality between the powerful and powerless (Hofstede 2001 *cited by* Huang and Bond 2012). As a result, they are less likely to value a participative style of leadership (Huang and Van de Vliert 2003, 2004; Hui *et al.* 2004 *cited by* Huang and Bond 2012) and may even regard transformational and participative leadership behaviour as a sign of weak leadership (Aycan 2008; Bass 1997 *cited by* Huang and Bond 2012). The culture of collectivism and power distance in Chinese societies promotes the individual virtues of submission, humility, tolerance, harmony, respect for authority and hierarchy (Bond 1996; Hofstede, 1991, 2001 *cited by* Huang and Bond 2012). Confucian ideology predisposes Chinese leaders to act as the parent of the group or organisation and practise authoritarian control (Bond 1996; Hui and Tan 1996; King and Bond 1985, *cited by* Huang and Bond 2012). In mainland China, communist ideology, which emphasizes whole-hearted service to the people, loyalty to the Party and the leader, hard work and sacrifice in the interests of the collective, helps to foster a more command-based leadership style (e.g. Fu and Tsui 2003; Tsui *et al.* 2004 *cited by* Huang and Bond 2012). Therefore Chinese employees may have become tolerant of or even submissive to a paternalistic and command-based leadership style (Schermerhorn and Nyaw 1990; Scott *et al.* 2003; Walder, 1986 *cited by* Huang and Bond 2012) that is at odds with such motivational leadership styles as transformational, participative and empowering leadership. Due to the top-down nature of many initiatives, and enforced participation in the commune era, Plummer (2004) also suggests that there is often an element of resistance or 'passivity' in the community towards new community initiatives (Cook *et al.* 2015). This also leads to one of directions of the study undertaken. It poses a question about what kind of leadership style, in companies, suitable for Chinese companies' prosperity and development and the inclusion of rural workers within urban society.

### 3.2.5 Discussion concerning ways to accumulate social capital

Social norms and values, but in particular trust among citizens and expectations of reciprocity establish the cultural aspects of social capital (Putnam 1993; Fukuyama 1995; Inglehart 1997). The existence of social control and attention, a climate of cooperation and a “system” trust, as well as the validity of norms, values, and morality are collective phenomena and represent collective goods. These cannot be achieved by individual intentional efforts alone (Castiglione *et al.* 2008). If everyone trusts and helps each other, the society will be more harmonious. Lane (1959) (*cited by* Xia 2012) argues that those who believe that others can be trusted, are cooperative, will help a person when he needs help, and care about each other and are more likely prepared to accept the democratic process; those with a relatively greater faith in people are psychologically prepared to accept the democratic process and to believe that they, and others like them, may be effective in elections. It is widely agreed that social capital facilitates mutually beneficial collective action (Hobbs 2000).

Putnam (1993) argues that social capital in Italy is a legacy of long periods of historical development, and therefore it cannot be added to in the short-term. This prognosis is challenged by a number of recent empirical studies (Schneider *et al.* 1997). For example, it has been shown that changing the structure and composition of school boards can enhance significantly the level of parental involvement in school-related activities and, in turn, help to build social capital. Others present similar conclusions about the design of irrigation projects (Ostrom 1994 and Lam 1996). Like human capital, social capital is productive (Coleman 1988, S98 *cited by* Kay and Johnston 2007). Social capital parallels human capital in its vulnerability to depreciation over time. Like human capital, social capital depreciates if it is not renewed. Coleman (1990b: 321) (*cited by* Kay and Johnston 2007) notes that “social relationships die out if not maintained; expectations and obligations wither over time; and norms depend on regular communication.” Therefore, social capital can both increase with use and diminish with disuse, allowing for “either virtuous or vicious cycles” (Wall *et al.* 1998, 311 *cited by* Kay and Johnston 2007). Falk and Kilpatrick (1999) argue that the accumulation of social capital is the outcome of the process of learning interactions. Learning interactions require a learning event (an actual



occasion) and occur in a contextual dimension (the broad, socio-cultural and political frame of reference). A precondition to building social capital is the existence of a sufficient quantity and quality of learning interactions. For example Falk and Kilpatrick suggest that quality learning interactions include an historical context, external interactions, reciprocity, trust, shared norms and values. The planning and implementation of community projects may be one such learning interaction (Hobbs 2000).

Social capital can be conceptualized as a resource at the community level that individuals can tap in order to achieve collective goals that cannot be accomplished by individuals alone. At this contextual level, for instance, higher levels of trust in the community may facilitate quicker and wider diffusion of ideas which may, in turn, promote healthier behaviours. This view is consistent with a “communitarian view” of social capital, emphasizing social cohesion (Putnam 1993). Horizontal social capital is measured by indicators of trust and crosscutting networks (the existence of informal associations, the extent of intermarriage and mutual aid) (Grootaert and Bastelaer 2001). The study found that social capital is not inherently beneficial to all members of the community. Collective norms accumulated in closed, solitary communities can exert “levelling pressures” on its members, restricting their efforts to achieve upward mobility in order to keep all in a similar situation to their peers (Portes and Sensenbrenner 1993: 1342). This is found in many immigrant communities, such as the Puerto Rican community in New York and the Haitian community in Miami, where the solidarity of the group discourages individuals from pursuing outside opportunities (Portes and Sensenbrenner 1993). Horizontal forms of social capital are important, but without proper vertical articulations, the impacts on community development efforts are limited (Grootaert and Bastelaer 2001).

In summary, as above, an open, accountable relationship between the state and individuals and communities where bridging social capital predominates and higher levels of trust can contribute to high levels of social cohesion. Trust plays an important role in accumulating social capital. The development of vertical social capital is also important for social cohesion.

### **3.3 Macro level analysis of socialist market economic system from the perspective of the “organic solidarity” and the rational strain of social capital in the context of the Chinese political economic system**

This subsection analyses the reasons to establish a complete socialist market economic system in China. Coleman’s rational strain of social capital indicates that social capital worked in a way that was broadly comparable to, and congruent with, the role of the “invisible hand” of the market in classical economic theory (Heinze and Strunck 2000: 179 *cited by* Field 2008). Accordingly, this subsection analyses the rational strain of social capital (Lewandowski 2006). However, central to the economic or rational strain in contemporary social capital theory is the rational choice conception of the actor as an essentially self-interested individual whose behaviour, guided by instrumental reason, always takes the form of strategic action (Lewandowski 2006). This strain of social capital theory understands trust among actors as horizontally thin (Lewandowski 2006). This subsection also explains the reasons why social capital in private companies may work in a way that is similar to the role of the “invisible hand” of the market in classical economic theory and the rational strain of social capital. Therefore, this study will test the rational strain of social capital theory when researching social capital in private companies. The research of the social capital in private companies in the Chinese macroeconomic environment will help to explore whether market mechanism can play their regulatory role to promote the prosperity of all the people and will give new insights for the rational strain of social capital theory.

Adam Smith thought that market forces establish certain “natural values” by dint of the operation of competition upon supply and demand. Such “natural value” then became a term of comparison, or norm, with which all “artificial prices”, established by interferences and obstacles in the shape of legal regulations, “exclusive privileges of corporations, statutes of apprenticeship” and monopolies, could be contrasted and exposed (Dobb 1981: 43). In his treatise “Wealth of Nations”, Smith said: “Whatever policy tends to raise the market price above the natural, tends to diminish public opulence.” “All monopolies and exclusive privileges of corporations, for whatever good ends they were at first instituted, have the same bad effect.” It is by far the best

policy to “leave things to their natural course” (Dobb 1981: 43). A market - oriented economy helps consumers obtain a price that is close to the product’s natural value. This way can safeguard society’s overall interests from the perspective of Smith (Coase and Wang 2012).

Deng Xiaoping, who was a Chinese politician, took over control of the Communist Party in 1978. He was responsible for initiating reform of the planned economy towards a more market-oriented economy (Chow 2015). On December 18th, 1978, the third plenum of the Eleventh Party was held. The Third Session of the Eleventh Central Committee of the CPC (1978) was a great historical turning point in China's socialist cause. This change began with the rectification of the ideological line. Without the great debate over the criterion of truth and the re-establishment of the ideological line of emancipating the mind and seeking true facts, it would have been impossible to correct the previous "Left" mistakes, shift the focus of work to economic construction and introduce a complete new set of policies of reform and opening-up. This clearly demonstrates that a correct ideological line is of decisive importance for a ruling party directing socialist construction. This is the case in China, as it is in other socialist countries (Yang 2012). The Chinese government took a number of measures to develop a common market across the whole economy, first, by signalling the return of competing uses of resources for all economic actors, and then by allowing resources to move to their most profitable employment. The market is able to operate in this way because all firms are constrained by a common market discipline and competition in the product market, which can then lead to efficient utilization of the factors of production (Coase and Wang 2012). Deng opened China to foreign investment, the global market and limited private competition. He adopted an aspiration which encouraged some people to get rich first; to ultimately achieve common prosperity. “Let some people get rich first,” was the famous instruction of Deng Xiaoping, as China struggled to throw off the shackles of Maoist egalitarianism. This aroused people’s enthusiasm for entrepreneurship. The full mobilisation of enthusiasm, initiative and creativeness in all quarters has greatly emancipated and developed China's social productive forces. The reform is aimed at solving the problem of absolute equality (Yang 2012).

Since initiating market reforms in 1978, China has shifted from a centrally-planned to a market-based economy and has experienced rapid economic and social

development. GDP growth has averaged nearly 10 percent a year – the fastest sustained expansion by a major economy in history—and has lifted more than 800 million people out of poverty. With a population of 1.3 billion, China recently became the second largest economy and is increasingly playing an important and influential role in the global economy (The World Bank 2016). China's extraordinary growth relates China's reform measures to marketization and privatization processes taking in other parts of the world, and sees China's rise as a part, but also a result, of neoliberal economic restructuring globally (Harvey 2005 *cited by* Cook *et al.* 2015). However, rapid economic ascendance has brought on many challenges as well, including high inequality (The World Bank 2016). Cheng's (2007) analysis illustrates rising income inequality is considered one of the effects of the economic reforms which were initiated in 1978. The move from egalitarianism to more market-based income determination has created both winners and losers within China's population. For long-term economic prosperity, the country should find a way to balance the policy that "let a few people get rich first" and the classical beliefs in egalitarianism (Cheng 2007). In a market economy the masses have a spontaneous tendency towards individualism (Yu 1997).

Further, there is an economic or rational strain of social capital, found most notably in the rational choice theory of Becker (1990: 41), and James Coleman (1990a), and central to policy – oriented theories of growth and economic development such as those pursued by the World Bank (Lewandowski 2006). Coleman has defined social capital as a function of social structure which produces advantages (Coleman 1990: 302; from Coleman 1988: S98 *cited by* Lin *et al.* 2001): "Social capital is defined by its function. It is not a single entity but a variety of different entities having two characters in common: they all consist of some aspects of a social structure, and they facilitate certain actions of individuals who are within the structure." (Coleman 1990: 302; from Coleman 1988: S98 *cited by* Lin *et al.* 2001). Coleman claims that social capital worked in a way that was broadly comparable to, and congruent with, the role of the "invisible hand" of the market in classical economic theory (Heinze and Strunck 2000 179; *cited by* Field 2008). Nevertheless, central to the economic or rational strain in contemporary social capital theory is the rational choice conception of the actor as an essentially self-interested individual whose behaviour, guided by instrumental reason, always takes the form of strategic action (Lewandowski 2006).

Such individualistic rational assumptions regarding the nature of human action profoundly affect how networks of trust and social norms are understood, and how these notions are incorporated into the theory and empirical study of social capital. Indeed, as a consequence of its conception of human actors as utility-maximisers, this strain of social capital theory understands trust among actors as a horizontally thin, organisational network which functions to bridge and coordinate individual actions (Hardin 1993: 2000 *cited by* Edwards 2007). In a related way, social norms are construed as outcome-oriented conditional constraints that enable the efficient coordination and realisation of individual preferences and self-interests within a social structure (Lewandowski 2006). Difficulties arise when this strain reduces social norms to rational norms, and conceives of trust horizontally, as merely a bridging resource that facilitates individuals' realisations of their rational interests. In reducing social norms to rational ones, the rational strain's theoretical assumptions about the universality of the utility function of human action rules out in advance any consideration of the kind of non-outcome oriented, unconditional constraints that are the hallmarks of genuinely social norms. In making trust horizontal, this strain similarly eliminates any account of the thickness (or normative density) of trust relations. Such theoretical short-circuiting leads to a levelling of social capital to rational capital. An analysis of the social character of action, norms and trust is thus omitted entirely in the rational strain in contemporary social capital theory. The result is that this strain suffers from "rational reductionism" (Lewandowski 2006).

The rational strain in contemporary social capital theory is predicated upon what Becker calls "the rationality assumption" (Becker 1990: 41) of methodological individualism. This assumption takes for granted that human beings' actions are governed by a "utility function" (Becker 1978) that serves to minimize transaction costs and maximize the outcomes of their future-oriented behaviours as they pursue the realisation of their self-interests. Using this economic approach to human behaviour, social capital is understood to be the strategic connections between and among individuals that have functional utility.

Comparably, Smith's *Wealth of Nations* is the theoretical foundation of the market economy (Coase and Wang 2012). The underlying preoccupation of the early economists in the age of Adam Smith was the notion of individual self-interest as the economic driving-force (Dobb 1981). Many of the characteristic notions developed by

Smith in the “Wealth of Nations” were present in embryo, at least, in his early lectures prior to 1764. “We address ourselves, not to their humanity, but to their self-love, and never talk to them of our own necessities but of their advantages.” (Smith *cited by* Spencer and Griffith 2012). Smith thought that people’s motivations are selfish, at least to some extent.

A Capitalist economic system is characterised by economic motivation through profit, the determination of prices and wages primarily through supply and demand and the absence of government intervention in the economy (Mooney *et al.* 2015). Capitalism emphasizes individualistic pursuit of profit and individual freedom (Mooney *et al.* 2015). Furthermore, Smith believed that economic growth stems from specialization. The best way to maximize profit and the efficiency of production was for people to specialize in a few select skills, rather than produce whole products themselves (Cryan *et al.* 2013). Capitalist society is integrated with a degree of interdependence as everything needed is manufactured and supplied by other people, and services are also provided for other people. The division of labour underlies capitalism’s success: just as people specialize in specific trades, firms specialize in core business activities (Mueller 2012). Comparably, organic solidarity is based on the differences between individuals. As a consequence of a highly specialized division of labour, homogeneous configuration is lacking and everyone is special. Meanwhile, mutual dependence between individuals is enhanced, which shows the importance of mutual cooperation. To sum up: the relations governed by cooperative law with restitutive sanctions and the solidarity which they express, result from the division of social labour. In a society of mechanical solidarity, people deeply believe in a strong collective conscience and common consciousness. Nevertheless, in the society of organic solidarity, strong collective conscience scarcely exists. In fact, it is in the nature of special tasks to escape the action of the collective conscience, for, in order for a thing to be the object of common sentiments, the first condition is that it be common, that is to say, that it be present in all consciences and that all can represent it in one and the same manner. To be sure, insofar as functions have a certain generality, everybody can have some idea of them. But the more specialized they are, the more circumscribed the number of those cognizant with each of them. Consequently, the more marginal they are to the common conscience. The rules which determine them cannot have a superior force,

the transcendent authority which, when offended, demands expiation (Durkheim 1893 *cited by* Lukes 2014). From a micro-perspective, Simmel 1971 thinks that the organizing principle of modern capitalist society is different from any previous community (*cited by* Edwards 2007). A person can be a member of different kinds of organisations and no organisation can own and control individuals. Individuals can flow between different organisations and each organisation can only constrain a small percentage of people (Simmel 1971 *cited by* Edwards 2007). Thus, people can be in different organisations, which is similar to Durkheim's (1893 *cited by* Lukes 2014) opinion that this transformation causes weakening of control to people, and it is difficult to develop a common collective consciousness and morality.

Nevertheless, people need to be merged into the collective. Both individual enthusiasm and collective spirit are needed to construct the country (Yu 1997). Society is a kind of collective. Sometimes people cannot completely pursue self-interest and always require some compromises, obedience and even dedication. "Equality of material conditions and opportunities are basic values of a socialist society. Socialist values include cooperation, generosity, individual and collective creativity, personal dignity, solidarity in family, neighbourhood, class and nation." (Petras 2002). Equality does not mean Egalitarianism. On the other hand, marketization produces resources that lie outside government control, making it possible for non-profits to exist and develop with less dependence on the government (Hamrin 2006). Early this century, China's economy began to rise (Xiao 2010). The remarkable economic performance China has achieved in the market has clearly boosted the Chinese leaders' and general public's confidence in the market economy (Coase and Wang 2012). However, issues relating to social equity and justice have become increasingly prominent (Xiao 2010). Further research could explore whether market mechanism can play their regulatory role to promote the prosperity of all the people.

Particularly, private entrepreneurship was strictly forbidden during Mao's era; it now thrives throughout the country and stands firmly as the backbone of the Chinese economy (Coase and Wang 2012). In democratic societies, individuals in private firms are allowed to devise their own rules and enforce these rules to deal with the daily concerns insofar as those rules are "within the broad set of potentially lawful

rules that are theoretically consistent with the larger constitutional system” (Ostrom, Gardner and Walker, 1994: 39 *cited by* Ostrom and Ahn 2013). These working rules are another important form of social capital (Ostrom and Ahn 2013). Coleman’s work shared with rational choice theory a highly individualistic, and calculating, model of human behaviour. Rational choice theory assumed that participation in collective behaviour consisted of individuals pursuing their own private interests (Field 2008). Coleman has identified that the rational strain of social capital worked in a way that was broadly comparable to, and congruent with, the role of the “invisible hand” of the market in classical economic theory (Heinze and Strunck 2000 179; *cited by* Field 2008). Therefore, social capital in private companies may work in a way that is similar to the role of the “invisible hand” of the market in classical economic theory and the rational strain of social capital. This study will test the rational strain of social capital theory when researching social capital in private companies. However, rational choice theory omits consideration of basic elements of human behaviour such as altruism, love and friendship (Misztal 1996: 80-8; Sztompka 1999: 66 *cited by* Field 2008). Thus the research of the social capital in private companies in the Chinese macroeconomic environment will help to explore whether market mechanism can play their regulatory role to promote the prosperity of all the people and will give new insights for the rational strain of social capital theory.

### **3.4 Internal Migration in China**

Even though China is simply growing so fast, China is now facing some outstanding problems in its push for common prosperity, ranging from growing imbalances between investment and consumption, which pose a severe challenge to the country's sustainable development and economic transformation, to the ever-widening gap between the rich and poor. Power abuse and corruption also remain a long-standing intractable issue (Chi 2012). Because of reforms and opening up to the outside world, and reforms in distribution systems and elimination of egalitarianism, income level differences will widen.

The previous Chinese Premier, Wen Jiabao, warned in early 2010 that: “the Chinese economy is still imbalanced, inharmonious and unsustainable” (Huang and Wang 2010).



Despite the government's deep concerns and its continuous efforts such as the abolition of agricultural taxes, medical insurance for rural residents and social security funds in urban areas, the imbalance problems have worsened steadily in recent years. Most of the policy measures implemented so far have not directly addressed the incentive structure that caused the imbalance problems: a peculiar incentive structure that is associated with China's unique asymmetrical market liberalisation approach (Huang and Wang 2010). The incentive structure is the root of the imbalances. When there is a problem in overinvestment, which is driven mainly by corporate decisions, either capital is too cheap or investors expect overly high returns, or both. The same is true of efforts to reduce the trade surplus and stimulate consumption. If the incentives are strong enough, administrative measures would probably not efficiently curb economic activity (Zhuang 2015). The government rapidly liberalized product markets, but was reluctant to remove distortions in factor markets. After 30 years of economic reform, transactions of almost all products are undertaken within free markets. But the markets for labour, capital, land, and resources remain highly regulated, and the pricing and costs of these factors are significantly distorted (Huang 2010 *cited by* Zhuang 2015). This asymmetric approach to market liberalization has caused serious distortions in most factor markets (Huang and Wang 2010). Labour market distortions are most apparent in the hukou registration system (Zhuang 2015).

Because of the segmentation of rural and urban labour markets, however, as well as the underdevelopment of social welfare systems, labour costs in China have been distorted (Huang and Wang 2010). The first classification of the Chinese household registration system (hukou) is the hukou "type" or "nature", commonly referred to as "agricultural" and "non-agricultural" hukou. China's hukou system became law in 1958, when the National People's Congress passed its "Regulations on Household Registration in the People's Republic of China." Under these regulations, every Chinese citizen is assigned a *hukou* location (*hukou suozaidi*) and an "agricultural" (rural) or "non-agricultural" (urban) *hukou* classification (*hukou leibie*) (Wang 2005). In the 1960s and 1970s, this classification determined entitlement to state-subsidized food grain (referred to as "commodity grain") and other prerogatives. The hukou leibie originated from occupational divisions in the 1950s, but as the system evolved the distinction did not necessarily bear any relationship to the actual occupation of

the holders. Prior to recent reforms, it was this distinction between agricultural and non-agricultural status that basically defined one's relationship with the state and eligibility for an array of state-provided socio-economic benefits (especially in the 1960s, 1970s and 1980s). The designation of non-agricultural status entitled the bearer to state-provided: housing, employment, grain rations, education, and access to medical care, as well as other social welfare benefits (a simple test of a person's hukou status in this period was whether he or she held the entitlement to state-supplied commodity grain). The agricultural population was expected to be largely self-sufficient, receiving very limited, if any, state beneficence. Those with non-agricultural status, regardless of their physical location or whether they resided in a town, small city or large city, were automatically entitled to these benefits because they were distributed and funded by central government, making non-agricultural status highly desired throughout the country. Those with agricultural status had no legal means by which to obtain these resources either inside or outside their registered location. This mechanism served to curb migration outside the state plan. Moreover, prior to the late 1990s, any officially permanent migration required approval from the state to convert hukou status from agricultural to non-agricultural and to change the place of hukou registration (from a village to a particular town or city). Transferring status from agricultural to non-agricultural was subject to strict regulation and control by central government through converting hukou from agricultural to non-agricultural; the process was utilized largely as a tool for labour allocation within the centrally planned economy. That is, any rural-to-urban migration involving permanent hukou change required both a conversion in entitlement status – the *nongzhuanfei* process – and a geographical change in residence (Chan and Buckingham 2008). At that time, no labour mobility was permitted between agricultural and non-agricultural residences, unless there was special approval by the government. The Chinese household registration system divided citizens into two classes for a variety of purposes essential to the function of the state and seriously affecting the livelihoods of hundreds of millions of ordinary people. The system also prevented peasants from taking many urban jobs, except for those considered “dirty,” dangerous or very low-paying. China's longstanding policy of “incomplete urbanisation”, as practised in the reform era, allowed peasants to move to the city but denied them permanent residency rights and many of the associated social benefits. As is well established, the hukou system is a cornerstone of China's

infamous rural–urban “apartheid”, creating a system of “cities with invisible walls.” It is a major source of injustice and inequality, perhaps, the most crucial foundation of China’s social and spatial stratification, and, arguably, contributes to the country’s most prevalent human rights violations (Chan and Buckingham 2008).

This restriction has been relaxed, in recent years, with the growth of the non-state sector, evidenced by the large number of migrant workers roaming the cities (Huang and Wang 2010). Tracing the history of internal migration, internal migration was virtually banned for more than twenty years, to resume only after economic reforms began in the late 1970s. The success of rural reforms in the 1980s increased farm productivity and created a large amount of surplus labour in agriculture (Roberts 1997). Not only did the private sector start to grow, but the rapid growth of special economic zones also created demands for rural labour in urban areas. Around the same time in the mid-1980s, the food rationing system was dismantled and rural migrants could buy food and survive in cities (Meng and Zhang 2001). Since then, the scale of rural-to-urban migration in China has mirrored China’s growing economy and social transformation, at the same time reflecting many of the economic and social challenges China faces in its transition to a de facto post-socialist society (Solinger 1999). Now urbanisation has been designated a national priority and is expected to occur even more rapidly. On March 16, Premier Li Keqiang’s State Council and the central committee of the Communist Party released the “National New-type Urbanisation Plan (2014-2020),” which sets clear targets: By 2020 the country will have 60 percent of its people living in cities, up from 53.7 percent now (Roberts 2014).

The number of migrant workers moving to cities is expected to surpass 300 million and possibly reach 400 million by 2050 (Facts and Detail 2012). Luo and Yue (2010) used the 2007 China Household Income Project (CHIP) survey to examine the effect of migration on rural poverty. It is likely that migration helps to reduce not only rural poverty but also rural income inequality. In 2011, the annual per capita net income of rural households was 6,977 yuan, up by 17.9 per cent, or a real increase of 11.4 per cent over the previous year when the factors of price increases were deducted. The median of per capita net income of rural households was 6,194 yuan, up by 19.1 per cent (National Bureau of Statistics of China 2012). Knight and Ding’s study: “China’s

Remarkable Economic Growth” (2012) has explained that it is possible for a minority of villages to develop on the basis of fertile land that permits a prosperous agriculture but the majority of villages must rely on non-agricultural sources of department. In our world, almost half of the population resides in urban regions. A major factor contributing to this phenomenon is rural-to-urban migration (United Nations 2007).

Rural migrant workers have provided vast amounts of cheap labour, aiding China’s urban growth and economic take-offs (Fan 2002). The majority of rural migrant labourers are unskilled or low-skilled workers (Chan 2008).

However, within cities, one of the most vulnerable groups are the floating population who have migrated mainly from rural areas to work in jobs that the indigenous urban population might spurn because of low wages, or being too arduous or even dangerous (Cook *et al.* 2015). Even when rural migrant workers have been working in cities for years, they are normally not entitled to: pensions, medical care and housing subsidies, and their children cannot attend local public schools. It is very difficult for them to settle down. Rural migrant workers’ pay is sometimes only half the pay of urban residents, even if they do the same job (Huang and Wang 2010). Labour-market distortions have in fact grown in recent years, despite a relaxation of policy controls and increasing rural–urban migration. This is a result of the rising number of rural migrant workers, widening income gaps between rural migrant workers and urban workers. Indeed, the statistics suggest that while the demand for labour has increased in recent years, rural migrant workers’ pay has not kept pace with that of urban workers, especially when social welfare benefit contributions are taken into account (Huang and Wang 2010). Migrant workers are still discriminated against because they are not official urban residents and so not entitled to urban social welfare benefits (Zhuang 2015). Li, a member of the Political Bureau of the CPC Central Committee and Premier of the State Council, held a symposium on economic and social development and reforms. On 19/12/2012, he gave a speech which stated that China, as a big country, needs should be based on domestic demand; urbanisation could contribute to domestic demand, and, in order to give play to the urbanisation’s potential, reform is needed; promoting urbanisation and transferring rural migrant workers to urban citizens, the reform of the household registration system also required to be introduced (Li 2012). In November 2013, the

"CPC Central Committee on deepening reform of the overall number of major issues" pointed out that "innovative population management, accelerate the reform of the household registration system demanded full liberalization for migrants settled in towns and small cities, free from restraints, and orderly liberalization of medium-sized cities settlement restrictions, reasonably determine the city settlement conditions, and to strictly control the scale of large urban population." After nearly a year of deliberation, on July 30, 2014, the State Council published the Opinions on Further Promotion of the Reform of Household Registration System, under which urban and rural residents should no longer be distinguished from one another. A series of government reforms ensued including those of July 2014 that eliminated the dual rural/urban nature of HuKou to better address inequality in residency and build more equitable access to federal services for all Chinese (Cui and Cohen, 2015). Officials have been calling for "equal rights" for all urban residents. A new word has entered the party lexicon: shiminhua, which means turning a migrant into an urbanite with all the advantages of a city hukou-holder. The declared aim of urbanisation now is not just to move people into cities, but, more importantly, to make urbanites of them (Shambaugh 2016).

The government recognizes that income distribution-related issues tend to delay growth and may even lead to social instability (Shi and Sato 2006). Knight and Ding (2012) claim that it is possible for a minority of villages to develop on the basis of fertile land that permits prosperous agriculture but the majority must rely on non-agricultural sources of development. One possibility is migration, but the opportunities may be limited owing to the costs and risk involved. These factors might be diminished if the village could build up a social network of migrant contacts, which would reduce informational and transaction costs. In that way, migration from a village would encourage further migration (Knight and Ding 2012). Another possibility could involve the development of a village industry (Knight and Ding 2012). However, the deliberately restrictive financial system, which rations credit and allocates it mainly to large state-controlled firms does so inefficiently, and tight credit rationing is imposed on rural people (Knight and Ding 2012: 231).

The Chinese hukou system is a state institution that regulates and restricts population mobility, and was one instrument used by the Chinese government to

promote industrialization in the Maoist era. It is one of the most important mechanisms determining entitlement to public welfare, urban services and, more broadly, full citizenship (Chan and Buckingham 2008). In its application, it is the basis for the most serious form of institutional exclusion against mainly rural residents (Chan and Buckingham 2008). As was mentioned earlier, Bourdieu's conception of social capital as a pre-dispositional marker of class identification and conflict. Moreover, this school of thought suffers from a tendency towards functional homologism (Lewandowski 2006). From this perspective, perhaps, centrally organised "bridging" and "linking" forms of social capital may ensure that the outcome of effective governance be directed to the benefits of all society (Halpern 2005). Chan and Buckingham claim that the abolition of the hukou system and elimination of restrictions on rural migrants' rights to the city may appear not only logical but an inevitable outcome of China's rapid "market transition". Thus, it is necessary and meaningful to explore how to permit rural migrant workers enjoy more social benefits. Another point worth mentioning is that in some cases, such as Zhengzhou, an industrial centre in Henan province, reforms were implemented and then quickly withdrawn. The city began its liberalisation policy in 2001 and increased that further in 2003, only to have the worst fears of urban protectionists promptly realised, as city expenditure for public schools, roads, housing and transport skyrocketed, in addition to increased reports of crime. The new programme was abandoned in 2004 (Wang 2005). Thus, the abolition of the hukou system will be a big challenge to urban management (Wang 2005). The right balance has, therefore, to be struck between liberalisation and restriction.

### **3.5 Social capital and its impact on rural migrants**

This subsection indicates the importance of bridging and linking social capital for rural migrant workers' inclusion. It also emphasises the importance of social interaction that can be intentionally created to encourage development of social capital in the inclusion of migrant workers within urban communities. Further, this subsection clarifies the cultivation of generalised reciprocity between rural migrant workers and urban resident workers would be good for the development of linking social capital for rural migrant workers. For instance, the generalised reciprocity

between rural migrant workers and urban resident workers would be good for the government or companies to make investment in community level social capital.

Being socially and economically disadvantaged, rural-to-urban migrant workers in China tend to rely on social networks for their migration, employment and settlement after arriving at their destinations (Wang *et al.* 2002). Migrants' social networks generate social capital, or resources embedded in social structure that can be invested and utilized by individuals to attain their ends (Coleman 1990) which help rural migrant workers reduce the costs and risks associated with migration and job searching and influences their settlement patterns (Korinek, Entwisle and Jampaklay 2005).

One form of social capital, network brokerage, comes from a social network that is rich in "structural holes" (Burt 2005). "Holes" in a network structure indicate gaps between groups of individuals, who are only connected via a small number of bridging ties (Burt 1992). Since information, which is channelled through social ties, and social contacts that are not closely linked together, tends to possess fresh knowledge. Those individuals who have ties that bridge two otherwise unconnected parts of a social network occupy a brokerage position in which they can enjoy the benefits of speedy, non-redundant information (Granovetter 1973; Burt 1992). When a person attains independence, that person can be more efficient and process more information and possess the ability to marshal resources. An unduplicated medium for information is more readily available. The more social networks migrants have, the better they can marshal resources. This is the most important condition. Meanwhile, the more unduplicated social networks migrants have, the more effective migrants are able to marshal resources (Burt 1992). Burt (1992) also believes that a social network needs to be built efficiently. If a person's social network is repetitive, the information he/she obtain will be identical to others in a similar position. Duplicate information will cause low efficiency. Following this logic, rural migrant workers who maintain a loose network structure with fewer less connected social contacts can thus benefit from having such information advantages and get ahead of competitors in the labour market (Burt 1992). Granovetter (1973) used social networks to explain job search problems in the American labour market. In his research, he found that in

the process of job search in the labour market, weak ties or acquaintances often provide more valuable information which can more efficiently facilitate job searching and play an important role in seizing an opportunity in the labour market (Granovetter 1973). Similarly, Chen, Frank, Dietz, He and Liu (2012) explained that weak ties may provide direct access to influence and expand information about employment opportunities for rural migrant workers in China. By contrast, another form of social capital can be generated from network closure (Burt 2005). Relatives or strong ties may be more motivated to help with job searches (Granovetter 1973). Dense networks, consisting of closely linked members, tend to promote norms, values, trust, and social support within the group (Coleman 1988, 1990). However, collective norms accumulated in closed, solitary communities can exert “levelling pressures” on its members, restricting their efforts to achieve upward mobility in order to keep all in a similar situation to their peers (Portes and Sensenbrenner 1993:1342). Dense networks tend to facilitate social sanctions against anti-normative behaviours, thereby reducing risks associated with trust; they may also provide members with access to exclusive supports as well as reliable and high-quality information (Coleman 1990). Migrants who are closely linked to their community networks might not be able to enjoy brokerage advantages, as brokerage advantages come from a personal network which maintains a loose structure with ties to someone outside the community, such as non-migrants or native urbanites (Chang *et al.* 2011). Bridging social capital is outward-gazing and links people across diverse social circles. It can generate reciprocity across social cleavages and foster broader identities (Putnam 2000 *cited by* Kay and Johnston). Following this logic, migrant workers need to maintain a loose structure with ties to non-migrants and native urbanites.

In China, because of the constraints of their rural hukou status, migrants are unlikely to land employment with a large, stable employer in the formal sector (Guo and Iredale 2004). With the majority of rural migrants taking low-level jobs in the informal sector, the information circulated within the migrant community is likely to be about jobs which pay less and involve hardship and a less desirable working environment (Chang *et al.* 2011). In order to promote the integration of urban and rural labour markets with employment and social security for rural migrant workers, rural migrant workers need bridging and linking social capital to obtain more recruitment



information. Bonding social capital is the relationship within a homogeneous group and “bridging social capital tends to bring together people across diverse social divisions” (Field 2008). Putnam (2002: 22) states: “Bonding social capital is good for undergirding specific reciprocity and mobilizing solidarity. Bridging networks, by contrast, are better for linkage to external assets and for information diffusion.” (*cited by Kay and Johnston 2007*). Putnam (2000: 23) believed bridging social capital to be outward-gazing and links people across diverse social circles. It can generate reciprocity across social cleavages and foster broader identities (*cited by Kay and Johnston 2007*). If the life of rural migrant workers becomes increasingly merged with the life of city inhabitants, they will have a better chance to obtain access to more recruitment information. From this perspective, bridging social capital is needed by rural migrant workers. Bonding and bridging social capital have resonance with Granovetter’s (1983) ideas of “strong ties” and “weak ties” respectively (Adhikari 2008). According to the logic of ‘weak ties’, organizational involvement provides bridging social capital by connecting the individual to a wider range of people (Teorell, 2003). Unlike human capital, which is “lodged in individuals”, social capital “inheres in the structure of relations between persons and among persons” (Coleman 1990: 302). An individual can be tied to a network of relationships, even if this network consists only of ties between members and the organizational centre (Teorell 2003). Coleman (1988: 96) defines social capital by its function that: “It is not a single entity, but a variety of different entities having two characteristics in common: they all consist of some aspect of social structures, and they facilitate certain actions of individuals who are within that structure.” Wang and colleagues (2002) found that in Shanghai, while personal networks are the primary channels for migrants to find jobs, the networks did not help migrants find jobs in desirable occupations. They also found that jobs acquired through personal ties tended to pay less than those found through public institutions (Wang *et al.* 2002). This verified the function of weak ties. “Strong ties” and “weak ties”, (Granovetter 1983) constitute social capital, the weak, bridging ties can be especially important for exchange of information and resources between different social or economic groups within community (Warner *et al.* 1997). Generalized reciprocity (Putnam 1993a; Potapchuck *et al.* 1997) depends on the presence of these weak bridging ties. This is yet more proof of the importance of bridging ties for rural migrant workers and the bridging ties can contribute to the generalized reciprocity among rural migrant

workers, non-migrants and urban residents. At the community level these ties are formed through interactions which emerge naturally as extensions of work, school or play. In communities where such interactions do not naturally occur, forums for interaction can be intentionally created and designed to encourage development of social capital (Warner et al. 1999). From this, social interaction in the inclusion of migrant workers within urban communities may be judged important.

The decline in relative income reduces individual happiness (Knight and Ding 2012: 258). On the one hand, rural migrant households living in cities reported having lower average happiness than did urban households (Knight and Ding 2012: 248). On the other hand, because of narrow reference groups and a limited information set, rural China is not a hotbed of dissatisfaction with life, despite the relative poverty and low socioeconomic status of its people in Chinese society. Migrants' happiness score is lower than that of rural residents (Knight and Ding 2012: 248). Migration can also have the effect of reducing rural happiness (Knight and Ding 2012: 259). The cause of social exclusion includes individuals who do not have strong social networks (Giddens 2001). The tolerance of diversity is probably a good indicator of bridging social capital (Harpham *et al.* 2002). Bonding social capital is to "get by" and bridging social capital is to get ahead" (Putnam 2000). Good inclusion promotes strong bridging social capital.

According to Woolcock and Sweetser, (2002: 26), "linking social capital pertains to connections with people in power, whether they are in politically or financially influential positions." Linking social capital also includes vertical connections to formal institutions (Woolcock 2001; Mayoux 2001). The development of linking social capital for rural migrant workers needs rural migrant workers to gain access to a stable employer in the formal sector. In the early 2000s, several provinces and cities such as Guangdong, Beijing, Shanghai and Xiamen started to set up limited social security schemes to cover rural migrant labour. In a comprehensive survey by the National Bureau of Statistics in 2006, about one-third of rural migrant labour had some injury accident insurance cover. In general, the participation rate in these schemes was low, and coverage was still very partial, far less than similar schemes for urban workers. About 14 million out of more than 100 million rural migrant workers had also joined some form of pension scheme by the end of 2005. However,

there are serious questions about the usefulness, or even the ethics, of selling pension schemes to migrants because all the schemes required significant contribution by the workers and are not portable: subscribers must have worked in one fixed locality for 15 years before being eligible for any pension (Lu *et al.* 2004). Because there is a high turnover in migrant employment, it would be legitimate to consider how many migrants would ever meet the requirements to collect benefits in their later years. Beginning in 2006, central government abolished the hukou requirement when new civil servants are appointed; presumably, the new positions would now be open to all citizens, including rural residents, regardless of hukou status (Chan and Buckingham 2008). This was a positive move, but was only applicable for the more educated (Chan and Buckingham 2008). In addition, by promoting urbanisation rural migrant workers should enjoy the same treatment as urban residents. If, finally, there was still no equality of employment, right to take up residence, the right of sharing education, medical treatment, social security, public service or the right of welfare after the abolition of agricultural hukou status, the contribution made by the abolition of agricultural hukou status would be small.

Furthermore, Coleman (1994) was ambivalent about the potential for political intervention. He accepted there were risks of market failure in the production of social capital as a by-product of other activities and thought social capital, as a public good, would probably suffer from under-investment. He also suspected state intervention might make matters worse because the essence of social capital conceived that activities and relationships were freely engaged in by individuals, which could only suffer if government stepped in (Field 2008: 135). On the other hand, it would be possible for government institutions to build social capital (Evans, 1996 and Skocpol, 1996 *cited by* Warner 2001). Deng Xiaoping said: “the main point I want to make is that the central leadership must have authority. The reform can be successful only if it is conducted under proper leadership and in an orderly fashion. If the Central Committee and the State Council have no authority, the situation will get out of control.” (selected works of Deng Xiaoping 1993: 277). Whether social structures were flat or hierarchical; economic inequalities and social class were some of the main determinants of social capital (Halpern 2005). Hierarchically structured programmes were less likely to build community social capital than decentralized programmes which were built on community assets through horizontal

partnerships with community residents (Kretzman and Macknight, 1993; Crocker et al., 1998; Potapchuck *et al.*, 1997, 1998; Harwood Group, 1997 *cited by* Warner, 2001).

Horizontal ties ensured broad community involvement and vertical (bridging) ties facilitated system change (access to resources allied to policy change). The nature of the forum created by the intervention would have important impacts on the type of linkage built. Investments in individual social capital would be most likely to yield direct returns. Returns on investments in community level social capital required generalized reciprocity and democratic responsive government. Balanced autonomy and strong horizontal linkage reinforced generalized reciprocity and democratic governance. Thus, areas with higher levels of horizontal social capital would provide more fertile environments for additional social capital investment (Warner 2001). Therefore, on the premise of generalized reciprocity between rural migrant workers and urban resident workers, linking the social capital of rural migrant workers would need to be developed. It will, in the future, be necessary to make a thorough investigation of the cultivation of generalized reciprocity between rural migrant workers and urban resident workers.

In summary, according to Deng Xiaoping's theory, a planned economy does not equate with socialism, a market economy does not equate with capitalism, and a market economy can be practised under socialism (Deng *cited by* Yang 2012). This is because from the planned economy during Mao's regime, the state continued as the main guiding institution in the planning of the country's economic development, even after the economic reformation and opening towards market forces and globalization (Jiang 2012). The focal point of Marx's socialism is that society controls all productive means and takes charge of the whole process of production and distribution. Practice has proved that overall state control in production and distribution dampens the enthusiasm of the masses and harms the development of the economy. But state regulation of supply and demand is necessary for the stability of economic development; social security is humane and can keep society stable (Yu *et al.* 1997). Therefore a market economy with state regulation and social security is comparatively good and realistic. It is called "social market economy" (Yu *et al.* 1997). In this "socialist market economy" model, a capitalist market economy is combined with socialist state intervention (Chen 2002 *cited by* Jiang 2012). Besides,

developing countries need to protect and nurture their products before they acquire the capabilities to compete in the world market unassisted. In the earlier stages of development, markets do not function very well for various reasons (for example, poor transport and poor flow of information). This means that the government needs to regulate the market more actively and sometimes even deliberately create some markets (Chang 2010). Democratic centralism is China's fundamental systems of organization and leadership. Democratic centralism is a system that integrates centralism on the basis of democracy with democracy under centralized guidance (Wang 2013). Centralism also plays an important role in the market economy.

On the other hand, Chinese Model Theory advocates a new path of economic development, a new state power structure and a new type of social governance dominated by the government and supported by nationalism. In essence, it rejects universal values (Xiao 2010). The Chinese Model Theory is trying to replace universal values such as modernity, freedom, individual rights, democracy and rationality with modernization, stability, national interests, personal livelihood issues and ideals, rather than seeking to balance the two blocs. It suggests the revival of ideology. It misreads and misinterprets universal values and modern society. It is a kind of narrow-minded nationalism that rejects universal civilization (Xiao 2010). Therefore, replacement theory poses a dangerous proposition. Adhering to universal values, while creating Chinese-style approaches, is truly the objective for our time (Xiao 2010). However, universal civilization needs the inclusion of migrant workers within urban communities. Further, as what was analysed before, because areas with higher levels of horizontal social capital would provide more fertile environments for additional social capital investment (Warner 2001), the cultivation of generalised reciprocity between rural migrant workers and urban resident workers would be good for the government to make investments in community level social capital. In addition, rational choice theory is insufficient to explain decision making behaviour as rational choice theory omits consideration of basic elements of human behaviour such as altruism, love and friendship (Misztal 1996: 80-8; Sztompka 1999: 66 *cited by* Field 2008). Simmel's sociology of sociability is an aesthetic action theoretical model of human association rather than rational, normative, or class-determined aesthetic action theoretical model of human association. "Everyone should guarantee to the other that maximum of social values (joy, relief, vivacity) which is consonant with the

maximum of values he himself receives.” (1949: 257 *cited by* Edwards *et al.* 2007). Nevertheless, Simmel takes seriously the difficulty of generalising the democratic structure of sociability between and among social classes; this democratic structure can at best be realised only within social strata, not up and down the social ladder (Simmel 1949: 257 *cited by* Edwards *et al.* 2007). Indeed, because national institutional arrangements do not give rural migrant workers enough space in the urban community and urban communities have not treated them as the members, it has probably caused social exclusion. The inclusion of rural migrant workers in the urban communities, namely, the inclusion of two social strata, deserves discussion and exploration. There is a perception within the literature: there is a strong degree of complementarity between horizontal associations that Putnam made famous in his seminal book on democracy in Italy (1993) and hierarchical associations which Coleman (1990) referred to and macro institutions, and their coexistence that maximizes the impact of social capital on economic and social outcomes (Grootaert *et al.* 2008: 3). From this perspective, the inclusion of collectivism, altruism, market-oriented economies, rational choice theory and macro institutions raises some very interesting issues. However, urban integration of migrant workers has not been taken account of when institutional factors and organisational systems factors are considered. From this literature review, it has become apparent that a complete theoretical framework of integration of migrant workers needs to be formed, taking into account institutional actors, organisational systems factors.

### **3.6 The theoretical framework of social capital**

In this subchapter, the researcher has built a model by combining meso level social capital (companies), with macro level social capital (institutions) and micro level social capital (individuals), thus, a macro level analysis of social capital in China has been linked to the meso level analysis of social capital in organisations (private companies and an SOE) and the micro level analysis of the social capital of rural migrant workers.

#### **3.6.1 Interaction and Distance**

“For Simmel, society is made up of the interactions between and among individuals.” (*cited by* Farganis 1993: 133)

Social interaction, looking to the reaction of others, and seeking the recognition and awareness of others must be regarded as an essential aspect of individual personality. In this way, Simmel ties together the individual and the social, and each requires the existence of the other. For Simmel, there is a dynamic or dialectical tension between the individual and society: individuals are free and creative spirits, yet are part of the socialization process (*cited by* Farganis 1993).

Ritzer notes that humans possess creative consciousness and the basis of social life is: "conscious individuals or groups of individuals who interact with one another for a variety of motives, purposes, and interests." (1992: 163) People are conscious and creative individuals and the mind plays a crucial role in this mutual orientation and social interaction. This creativity allows for flexibility and freedom on the part of the individual, but, at the same time, it helps to create structures of objective culture that may constrain and stifle this freedom. That is, social interaction becomes regularized and has patterns to it, and these become forms of association. These patterns and forms, regardless of their content, is what sociologists should study (*cited by* Farganis 1993). From this perspective, the importance of the inclusion of different social ranks may be observed. Lin Nan (2001) thinks that homogeneous interaction refers to the relationship between two actors with similar wealth, prestige, power / status characters and life style. Heterogeneous interaction refers to the relationship between two actors who have different resources. Interaction can permit people obtain resources from other people and from other people's relative position in the society. Such resources can be converted into social capital on the premise that the resource contributes to individual action of the actor. From this perspective, interaction is one fundamental condition in the establishment of social capital.

Skocpol and Foriona (1999) thought that people who regularly interact with each other supposedly not only learn to work with each other to solve collective problems, but they learn to trust each other and develop norms of reciprocity as well (*cited by* Smidt 2003). Dense, high quality links among persons and households, often through neighbourhood or community organizations, enhance interpersonal trust among units so linked (Kay and Johnston 2007). Putnam (1995a, 67) describes several positive outcomes to communities rich with social capital: when economic and political negotiation is embedded in dense networks of social interaction,

incentives for opportunism are reduced (Kay and Johnston 2007). Dense networks of interaction probably broaden the participants' sense of self, developing the "I" into the "we" or (in the language of rational-choice theorists) enhancing the participants' "taste" for collective benefits (Lin and Mele 2013).

### **3.6.2 Norms**

Coleman (1990 cited by Lin *et al.* 2001) emphasizes how individuals may use socio-structural resources to obtain better outcomes in their individual actions. According to Coleman: "...a norm concerning a specific action exists when the socially defined right to control the action is held not by the actor but by others." (Coleman 1994: 243). Therefore, norms may be perceived as macro-level products based on purposive actions of individual actors at the micro level (Coleman 1994). In addition, Lewandowski (2006) believed that central to the economic or rational school of thought in contemporary social capital theory is the rational choice conception of the actor as an essentially self-interested individual whose behaviour, guided by instrumental reason, always takes the form of strategic action. Coleman summarized his rational theory up to this point as follows: actors are seen as beginning with resources over which they have some (possibly total) control and in which they have interests. Social interdependence and systemetic functioning arise from the fact that actors have interests in events that are fully or partially under the control of other actors. The result of the various kinds of exchanges and unilateral transfers of control that actors engage in to achieve their interest is ... the formation of relationships having some persistence over time. Authority relations, relations of trust, and consensual allocations of rights which establish norms are the principal ones that have been examined here (Coleman 1990: 300). Therefore, Coleman's rational choice theory is characterised by the starting point of research into the individual action. Rational people's reasonable actions help to shape norms and also breed social structure and actionist organization. Individual actors interact with each other or transfer the control of resource in order to achieve their interests, and their actions are partially or totally controlled by other actors because of norms. This forms social relational structures such as trust relations or authority relations. This social relationship can offer individual actors new resources and facilitate certain actions related to them. Coleman understood and treated social capital as a



structural variable, something that only exists between and among certain individuals within a particular context (Smidt 2003). For example, Coleman (1990, 302) states that unlike other forms of capital, social capital inheres in the structure of the relations between persons and among persons. It is lodged neither in individuals nor in physical implements of production. As such, social capital is not a property of characteristic of an individual, and as such it is not transportable resources that one takes with oneself in entering a new relationship with some strangers. Rather for Coleman, social capital is something that is socially embedded in particular relationships (Smidt 2003). Corporate organisations have a set of organisational structures in which other individual actors can attain their objectives. If the corporate actors' interests match other individual actors' interests, the legality such as complying with requirement of rationality will contribute to the interests of corporate actors and individual actors. From this perspective, norms can include three levels. Micro level norms can be action norms of a small group. Meso level norms can be organisational culture. Macro level norms can be cultural. Norms are the precondition of individual interactions. Both Bourdieu and Coleman tended to treat social capital as something which delivered benefits to its individual owners, in the form of reliable expectations about the behaviour of others (Field 2008). Therefore, norms ensure an individual's behavioural expectations. When norms take place, norms can guide individuals' action and decide their benefits. As above, Coleman, while defining social capital as consisting of any social structural features or resources that were useful to individuals for specific actions, stressed that social capital was a public good. Because social capital was a public good, it depended on the good will of the individual members to make such efforts and not to be free riders. Thus, norms, trust, sanctions, authority and other structural "features" became important in sustaining social capital (Lin *et al.* 2001). It deserves exploring to understand what norms/company culture and the structure of the relations between persons and among persons in companies can contribute to the inclusion of rural migrant workers within urban communities.

### **3.6.3 Different levels of social capital**

Leana and Van Buren (1999) consider that social capital may be separated into individual social capital and collective social capital. Personal social capital refers to

external social capital or personal possessions that mainly include personal relationships at the micro level and resources involved in those relationships. Personal social capital also includes resources brought about by individual positioning in the social network structure. Collective social capital refers to inherent social capital or public goods that mainly include mutual trust and social bonds in the macro level groups and group structure. From this perspective, individual position in the social network and group structure belong to meso-level social capital. Personal external relations belong to micro level social capital. The jobs rural migrant workers obtain and the various companies to which they contribute can give them different social capital. The different organisations that rural migrant workers may join, and the jobs rural migrant workers attain in the organisations may determine the social distance between rural migrant workers and urban citizens.

Bourdieu (1986: 248) provides a concise definition: "Social capital is the aggregate of the actual or virtual, that accrue to an individual or group by virtue of possessing a durable network of more or less institutionalized relationships of mutual acquaintance and recognition." For Bourdieu, social capital is related to social networks of mutual acquaintance and recognition; further, this social relationship network is more or less institutionalised. Therefore, institutions play a leading role in this social capital model. This network of relationships is a product of investment strategies, either individual or collective, aimed at establishing or reproducing social relationships that are usable in the future (Kay and Johnston 2007). From this perspective, institutions such as political systems and corporate systems are macro level social capital and the social network of mutual acquaintance and recognition is micro level social capital. A nation's management philosophy is achieved through management models/company systems at the meso level. When rural migrant workers' social capital in organisations are analysed, this social capital model will be used.

In addition, measurement of social resources can be further specified as network resources and contact resources. Network resources refer to those embedded in one's ego-networks, whereas contact resources refer to those embedded in contacts used as helpers in an instrumental action, such as job searches. Thus, network resources represent accessible resources and contact resources represent mobilized resources in instrumental actions. For contact resources, the

measurement is straightforward: the contact's wealth, power and/or status characteristics, are typically reflected in the contact's occupation, authority position, industrial sector, or income (Lin *et al.* 2001). From this perspective, contact resources of rural migrant workers and rural migrant workers' network resources can be analysed.

There is a strong degree of complementarity between horizontal associations that Putnam made famous in his seminal book on democracy in Italy (1993) and hierarchical associations which Coleman (1990) referred to, and macro institutions, and their coexistence that maximizes the impact of social capital on economic and social outcomes (Grootaert *et al.* 2008: 3).

In summary, the researcher will analyse rural migrant workers' social capital from the perspectives of personal social capital (personal relationships/social networks) and collective social capital as expressed by Leana and Buren (1999). In particular, the researcher will analyse rural migrant workers' personal relationships/social networks, interactions and mutual trust; group structure/company system (social capital in different types of companies) and norms regarding rural migrant workers' working environment. This can be described in table 3.6.

Specifically, social capital's characteristic elements and indicators include high levels of trust, robust personal networks and vibrant communities, shared understandings, and a sense of equitable participation in a joint enterprise – all things that draw individuals together into a group. This kind of connection supports collaboration, commitment, ready access to knowledge and talent, and coherent organisational behaviour. This description of social capital suggests appropriate organisational investments. Even when social capital investments are made solely by individuals who develop ties with one another, many real advantages accrue to the organisation as a whole (Cohen and Prusak 1992). Thus it is meaningful to research how individuals invest their social capital through developing ties with one another to benefit the organisations. From this perspective, the meso level social capital that organisations have is linked to the micro level social capital that individuals have. In addition, the findings of comparative economic studies conducted by political scientist at the World Bank and other global institutions thought that some countries are more richly endowed with natural resources than others, but institutional

traditions, levels of trust and reciprocity, the rule of law, and the sense of community are at least as important to a nation's health as the available raw materials (Cohen and Prusak 1992). Thus, the increase of levels of reciprocity and trust in organisations can also promote a nation's health.

Most researchers working on social capital probably agree that the significance of a theory of social capital lies in its intended demonstration that structure and action interact in a meaningful way (Lin *et al.* 2001). Thus, good social structure of organisations / communities (the structure of the relations between persons and among persons in companies) and good company system can facilitate interaction and trust among rural migrant workers and urban workers in the context of their working environment. Ideally, research programmes should seek to clarify simultaneously how individuals are afforded and constrained by their relative accessibility to resources embedded in the social structure, and how they take actions to mobilize the embedded and accessible social resources to generate returns for their own well-being. Thus, a social capital theory must contain and demonstrate the meso-micro linkage and the dynamic interactive effects between structure and action (Lin *et al.* 2001). Based on this analysis, it can be argued that a critical aspect of research is the point where individuals intersect with structure – which embedded resources are accessible to whom.

The resources rural migrant workers could access to help them integrate into the urban working activities were influenced by their social network and social structure which were both connected to the social and organisational system. Certain people or certain groups were connected to certain others, trusting certain others, obligated to support certain others, and dependent on exchange with certain others. Holding a certain position in the structure of these exchanges could be an asset in its own right. That asset was social capital (Lin *et al.* 2001). Social structure was a kind of capital that could create for certain individuals or groups a competitive advantage in pursuing their ends (Lin *et al.* 2001). Furthermore, Foley and Edwards (1999) specify that trust and reciprocity are developed between individuals as they interact but trust and reciprocity are also a function of the social fabric of the community, the social infrastructure (*cited by* Halstead and Deller 2015). It is further argued that this forging of interpersonal trust has consequences for the political system in that such personal

trust “spills over” into a kind of “generalized trust” in others as well as a trust in government more generally. The net results that flow from this learning of social trust through regular and sustained civic engagement are increased capacities “wise public policy, robust economic development, and efficient public administration” (Skocpol and Foriona 1999 *cited by* Smidt 2003). Good social structure promotes the forging of interpersonal trust. Social networks reinforce the social norms and sense of trust and reciprocity that Bourdieu, Coleman, and Putnam regard as components of social capital (Halstead and Deller 2015). Woolcock (2001) also claim that if trust and social norms are considered products or benefits of social capital then the empirical research should focus on the structure of the social networks and social infrastructure as the source of social capital (*cited by* Halstead and Deller 2015). On the other hand, Markeson and Deller (2015) claim that even if a community has strong networks of association, a non-supportive implicit institutions will slow down business start-ups (*cited by* Halstead and Deller 2015).

Accordingly, this study will research how institutional and organisational factors (for example institutional rule) and the structure of relations between persons and among persons of SOEs and private companies affect the inclusion of rural migrant workers in the context of their working environment. It will examine social capital and its relationship with employees’ performance at the organisational level.

**Table 3.6 The theoretical framework of social capital**

Macro level social capital	Institutions (Bourdieu 1986) - A nation’s management philosophy can be achieved through company management models/company systems/institutions at the meso level.
Meso level social capital	Collective social capital which mainly include mutual trust, social bonds and group/company structure (Leana and Van Buren 1999); norms (organisational culture) (Coleman 1990)
Micro level social capital	Personal resources (contact resources and network resources) (Lin <i>et al.</i> 2001)

## Literature review: summary

This chapter analysed central planned economy that SOEs have the components of and the similarities between the operation of command economy and Bourdieu's Marxist strain of theory of social capital. Collective culture was a foundation for the collective economy in the era of the Chinese planned economy (Shih 1999). Bourdieu (1986) identified that social capital facilitates intra-group mutual recognition, solidarity, and obligations among individual group members (*cited by* Lewandowski 2006). In terms of people who were assigned to SOEs, housing, medical care and an old age free of financial problems would be more or less secured (Peeverelli and Song 2012). This study integrates the Marxist strain of social capital theory (Bourdieu 1986) into the research of SOEs. Therefore, the research of social capital in SOEs will give new insights for the Marxist strain of social capital theory. It puts forward a question as to if there is a bond of sympathy and cohesion that has developed between members of SOEs.

However, the coherent and homogeneous society as characterised by Durkheim's "mechanical solidarity" (Durkheim 1893 *cited by* Lukes 2014) lacks weak ties (Granovetter 1973 *cited by* Edwards *et al.* 2007). Weak ties or structural bridges are of greater value to individuals in accessing important resources than strong ties. (Granovetter 1973: 1366; Burt 2000; Lin 2001 *cited by* Edwards *et al.* 2007) (See 3.1).

China is a country with a large power distance culture. It is important to cultivate norms concerning cooperation in the context of unequal power relationships in the Chinese workplace/work environment (See 3.1). China practises democratic centralism. Because of the similarities between mutual obligations and cooperative actions (the democratic strain of social capital) and collectivism, social capital under democratic centralism may be similar to the democratic strain of social capital. However, the democratic strain of social capital is imperfect in China as the democratic system is not perfect. The reforms have faced powerful resistance by vested interests, above all local governments, huge state-owned enterprises and the new middle class, which would rather not share the fruits of growth with rural migrants (Tanaka 2015). Therefore, it is necessary to initiate "bridging" and "linking" forms of social capital to ensure that the outcome of this economic system is directed

towards the benefit of all of society and the collective reaches out to other and better resources (See 3.2.2). However, in societies such as China, where family and kin are the core structures, strong ties occupy a central position in networks. Weak ties are less likely to be directly evoked and must be accessed through chains of strong ties (Lin *et al.* 2014) (See 3.2.3). Hamrin's (2006) analysis of China's social capital demonstrates that these particularistic private social capitals for personal and family advancement tend to inhibit the accumulation of public social capital for the common good of the nation. This study will research what kind of social structure/the structure of the relations between persons and among persons in companies can promote social trust outside circles of kinship and personal acquaintances between rural workers and urban citizens (See 3.2.3). Trust plays an important role in accumulating social capital. The development of vertical social capital is also important for social cohesion (See 3.2.5).

The subchapter 3.3 analysed the market economic system from the perspective of the rational strain of social capital and the "organic solidarity" (Durkheim 1893 *cited by* Lukes 2014). However, according to the literature review, norms and trust is omitted entirely in the rational strain in contemporary social capital theory. This strain suffers from "rational reductionism" (Lewandowski 2006). People lack collective consciousness. China is now facing some outstanding problems in its push for common prosperity. In order to promote common prosperity, further research could explore whether market mechanism can play their regulatory role to promote the prosperity of all the people. Particularly, this study will integrate the rational strain of social capital theory into the research of private companies. Thus the research of the social capital in private companies in the Chinese macroeconomic environment will explore whether market mechanism can play their regulatory role to promote the prosperity of all the people in the context of their working environment and will give new insights for the rational strain of social capital theory.

Because of the segmentation of rural and urban labour markets as well as the underdevelopment of social welfare systems, labour costs in China have been distorted. In the practice of market forces, it is important to contribute to the inclusion of rural migrant workers within urban communities. The declared aim of urbanisation

is not just to move people into cities, but, more importantly, to make urbanites of them (Shambaugh 2016) (See 3.4).

Bridging ties can contribute to the generalized reciprocity among rural migrant workers and urban residents. The development of linking social capital for rural migrant workers needs rural migrant workers to gain access to a stable employer in the formal sector such as SOEs. Areas with higher levels of horizontal social capital would provide more fertile environments for additional social capital investment (Warner 2001). Therefore, on the premise of generalized reciprocity between rural migrant workers and urban resident workers, linking the social capital of rural migrant workers would need to be developed. It will be necessary to make a thorough investigation of ways in which to cultivate generalized reciprocity between rural migrant workers and urban resident workers (See 3.5).

A nation's management philosophy can be achieved through company management models / company systems at the meso level. Good social structure of organisations / communities and good company system can facilitate interaction and trust among rural migrant workers and urban workers in the context of their working environment. Good connection suggests appropriate organisational investments. Even when social capital investments are made solely by individuals who develop ties with one another, many real advantages accrue to the organisation as a whole (Cohen and Prusak 1992). It is also meaningful to research how individuals invest their social capital through developing ties with one another to benefit the organisations. Furthermore, the forging of interpersonal trust has consequences for the political system (Skocpol and Foriona 1999 *cited by* Smidt 2003). Therefore, these necessitate analysis of the social structure in organisations. Subchapter 3.6 built a research model, combining meso level social capital that companies have with macro level social capital (institutions) and micro level social capital (rural migrant workers' social network). Thus, a macro level analysis of social capital in China has been linked to the meso level analysis of social capital in organisations (private companies and an SOE) and the micro level analysis of the social capital of rural migrant workers (See 3.6).

This study will analyse rural migrant workers' social capital, as affected by the institutional and organisational factors and the social structure of SOEs and private



companies, in order to evaluate the contribution of social capital to the rural migrant workers' assimilation process in the context of their working environment (See chapter 5). The research of social capital in SOEs and social capital in private companies can help to gain new insights into the Marxist strain of social capital and the rational strain of social capital respectively and gain insight into Chinese macroeconomic policies (See chapter 5). This can facilitate the exploration of the promotion of public social capital for the common good of the nation.

## CHAPTER FOUR

### **Research methodology and pilot study**

- 4.1 Research design
- 4.2 Clarification of how the research methods help in achieving research aims and objectives of this thesis and philosophical justification for the usage of these research methods of the research methods
- 4.3 The theoretical background of research methodology for the interview analysis
- 4.4 The design of the questionnaire

## **Introduction**

This chapter explains the research methodology and the specific research methods and provide a philosophical justification for these research methods. A case study approach has been used in this research. This case study has been used in relation to the discovery of information and the testing of theory. A quantitative approach to the research and a qualitative approach to the research have been adopted to provide a more complete set of findings and to check the validity of the findings by cross-checking them. In this chapter, the researcher explored how to use content analysis to understand the respondents' answers. The content analysis strengthened the researcher's insights and helped to rationalise them. Then the researcher explored how to analyse the interviews' transcripts under the guidance of Constructivism (Andrews 2012) and Structuralism (Grbich 2007). This method has contributed to a deep understanding of interviewees' opinions and how social factors and employees' working environment have influenced rural migrant workers' inclusion within the urban community in Shandong Province. The section of the design of the questionnaire explains how social capital theories such as the Marxist strain of social capital and the rational strain of social capital are linked to the research instrument: the questionnaire.

## 4.1 Research design

This research study was conducted in the social world, also known as social science (Babbie 2005). Methodology is a way of thinking about and studying social reality (Strauss and Corbin 1998). Methodology refers to the overall approaches and perspectives to the research process, from the theoretical underpinning to the collection and analysis of the data (Collis and Hussey 2003: 55). Research methods are a set of procedures and techniques for gathering and analysing data (Strauss and Corbin 1998).

A case study methodology has been used in this research as there were, perhaps, insights to be gained from investigating an individual case, which could have wider implications and, importantly, that would not have come to light through the use of a research strategy that tried to cover a large number of instances: a survey approach. A case study approach can help to study factors in sufficient detail to unravel the complexities of a given situation. In case studies, there is a tendency to emphasize the detailed workings of relationships and social processes (Denscombe 2010).

The use of more than one research method sits comfortably within a case study approach. This case study is used in relation to the discovery of information (an inductive logic) and the testing of theory (a deductive logic). Thus, this study incorporates elements of both. It is also useful to utilise, whenever possible and appropriate, different research tools or data collection methods (Turner *et al.* 2011). Therefore, the researcher has adopted a quantitative approach to the research and a qualitative approach to the research to provide a more complete set of findings and to check the validity of the findings by cross-checking them, utilising the two methods. Quantitative research and qualitative research are complementary strategies to contribute to the knowledge of rural migrant workers' urban inclusion. In this study, a quantitative approach is linked to a social research method: questionnaires and qualitative approach is linked to a social research method: interviews.

In terms of a quantitative approach, efforts should be spent in defining clearly the group or groups of people that the research is focused on in order to construct a

representative sample (Munn and Drever 1990). This is to ensure a good representative sample of different opinions from workers who are from both rural areas and cities in a state-owned enterprise and private companies. Therefore, purposive-sampling (Denscombe 2010) using questionnaires was carried out on rural migrant workers and urban workers in private companies and in a state owned enterprise. Based on important characteristics that are meaningful for the objectives, a different sample group was drawn from the sample of staff in private companies and the sample of staff in the state owned enterprise. The sample group contained a mix ranging from staff changing from “agricultural to non-agricultural” status in private companies, and staff with “agricultural household registration” in private companies, urban workers in the private companies, staff changing from “agricultural to non-agricultural” status in the state-owned enterprise, staff with “agricultural household registration” in the state-owned enterprise and urban workers in the state-owned enterprise. Additionally, snowball sampling was also used to complement purposive-sampling. With snowball sampling, the sample emerges through a process of reference from one person to the next (Denscombe 2010). Selection is based on trust relations, relatives, friends and classmates, and referrals between different groups. The initial study took place in Zoucheng city and Rizhao city in Shandong Province, where the large SOE and private companies are to be found. They are as follows: State Owned Enterprise D in Zoucheng city; Company B (private company in Zoucheng city); Company C (private company in Zoucheng city); Company F (private company in Zoucheng city), and Company A (private company in Rizhao city). For the sample size see Table 4.1. Through collecting the data from questionnaires, the data between the groups are analysed and contrasted. This helped to identify the motivation of rural migrants in moving to urban communities and contributions and influences of effective organizations, institutions, norms, culture and social networks in different types of companies on inclusion of rural migrant workers within urban communities. However, this method has some limitations as people omitted might have held different opinions.

Table 4.1 Sample Size

## Samples

	SOE	Private companies
urban citizens	100	90
staff changing from “agricultural to non- agricultural” status	37	91
staff with “agricultural household registration”	30	201

In terms of a qualitative approach, the interviews were semi-structured interviews. This allowed interviewees to follow their own thoughts. The researcher interviewed 12 rural migrant workers from Zoucheng city, in Shandong Province in order to understand rural urbanisation in their hometown: villages and the motivation behind their move to urban communities and asked their opinions about the city life, urban citizens and rural workers. Interviews focused on how rural urbanisation has changed their hometown - village, whether urban citizens and rural migrant workers behaved towards one another in a way which was socially acceptable to each other in China; to determine what kind of factors gave hope to individual lives, standardized people's behaviour, embodied social emotion and developed social approval. They were conducted to help to identify the motivation of rural migrants moving to urban communities in China alongside the quantitative data analysis. For details see Chapter 5.8. In this process, the researcher understood the difficulties faced by rural migrant workers were brought about by urbanisation and also analysed their difficulties through interviews as presented in Chapter 5.8. Then the researcher interviewed 10 selected managers in the private companies A, B, C and F and a State Owned Enterprise D to discuss how to help rural migrant workers be included within urban communities regarding their working environment. See Chapter 5.10 and 5.11.

## **4.2 Clarification of how the research methods help in achieving research aims and objectives of this thesis and philosophical justification for the usage of these research methods of the research methods**

This study considers the relationship between theory and practice. Accordingly, in the stage of exploration of practice (Dul and Hak 2012), as is described in the literature review, Huang and Wang's (2010) analysis demonstrates how a peculiar incentive structure is associated with China's unique asymmetrical market liberalisation approach. The incentive structure is the root of the imbalances of the Chinese economy (Zhuang 2015). This asymmetric approach to market liberalization has caused serious distortions in most factor markets. Because of the segmentation of rural and urban labour markets, however, as well as the underdevelopment of social welfare systems, labour costs in China have been distorted (Huang and Wang 2010). Within cities, one of the most vulnerable groups are rural migrant workers (Cook *et al.* 2015). Even when rural migrant workers have been working in cities for years, they are not entitled to urban social welfare benefits (Zhuang 2015). Rural migrant workers' pay is sometimes only half the pay of urban residents, even if they do the same job (Huang and Wang 2010). The declared aim of urbanisation now is not just to move people into cities, but, more importantly, to make urbanites of them (Shambaugh 2016). With the aim of getting recommendations regarding promoting the balanced development of the Chinese economy and the inclusion of rural migrant workers within urban communities, an exploration of theory (Dul and Hak 2012) is also conducted. Through the exploration of the Marxist strain of social capital theory as integrated into the research of state owned enterprises (SOEs) under the Chinese political economic system, this study posits the question as to whether there is a bond of sympathy and cohesion that has developed between members of SOEs. Through the exploration of the rational strain of social capital theory as integrated in research into private companies, this study posits the question as to whether there is a lack of mutual altruism in private companies. The answers to these questions will give new insights to the social capital theory and enable the practitioner – the nation to obtain the relevant knowledge to make decisions in the current phase of the problem. Particularly, the quantitative data analysis of responses from the rural migrant workers and urban workers collected is discussed alongside the feedback received from the semi-structured interview in this study. This was conducted to analyse the assimilation process of rural migrant workers in private and SOEs and evaluate the contribution of social capital to the above assimilation process. In this case study, quantitative data analysis can help to explore the social structure /

structure of the relations between persons and among persons, in both types of organisations through the analysis of employees' social networks and which embedded resources are accessible to them. The qualitative data analysis further explains what social structure in organisations can contribute to the inclusion of rural migrant workers within their working environment. For details see Chapter 5.

Kuhn's (1970) highly influential use of the term 'paradigm' derives from his analysis of revolutions in science. A paradigm is 'a cluster of beliefs and dictates which for scientists in a particular discipline influence what should be studied, how research should be done, and how results should be interpreted' (Bryman 1988a). Paradigms can be characterised through their ontology, epistemology and methodology (Guba 1990).

Ontology can be defined as "the science or study of being" (Blaikie 2010). Questions of social ontology are concerned with the nature of social entities. The central point of orientation here is the question of whether social entities can and should be considered objective entities that have a reality external to social actors, or whether they can be and should be considered social constructions built up from the perceptions and actions of social actors (Bryman and Bell 2007). These positions are frequently referred to respectively as objectivism and constructionism. Objectivism is an ontological position that implies that social phenomena confront us as external facts that are beyond our reach or influence and an organisation has a reality that is external to the individuals who inhabit it. Under this view, organisations and cultures are objective social entities that act on individuals and social actors as external realities have no role in fashioning (Bryman and Bell 2007). However, this study researches how institutional and organisational factors and the structure of relations between persons and among persons of the SOE and private companies affect the inclusion of rural migrant workers in the context of their working environment. For example, this study researches how individuals invest their social capital through developing ties with one another to benefit the organisations and how employees are afforded and constrained by their relative accessibility to resources embedded in the social structure (see Chapter 5). Therefore, this study emphasises the active involvement of people in their reality construct. Constructionism is an ontological position (often also referred to as constructivism) which asserts that social



phenomena and their meanings are continually being accomplished by social actors (Bryman and Bell 2007). This alternative position challenges the suggestion that organisation and culture are pre-given and therefore confront social actors as external realities that they have no role in fashioning (Bryman and Bell 2007). Accordingly, this ontological position – constructionism feeds into the ways in which this study is carried out.

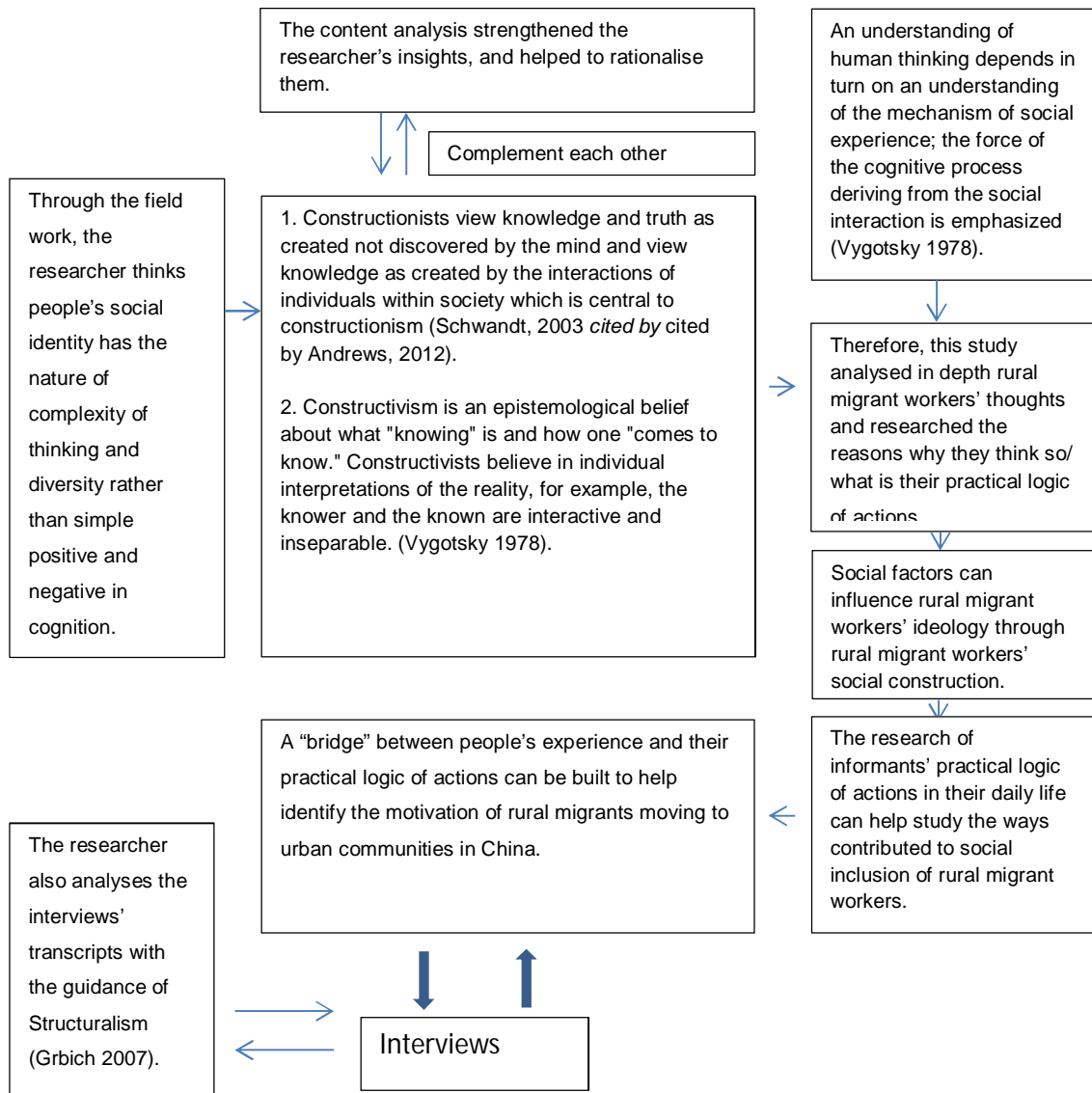
An epistemological issue concerns the question of what is (or should be) regarded as acceptable knowledge in a discipline (Bryman and Bell 2007) and studies the nature of knowledge and the process by which knowledge is acquired and validated. (Gall, Borg and Gall 1996). Epistemological orientation of interpretivism is usually linked to the ontological orientation of constructivism. A theoretical perspective linked to constructivism is interpretivism (Gray 2005). Interpretivism requires the social scientist to grasp the subjective meaning of social action (Bryman and Bell 2007). This study aims to investigate the structure of relations between persons and among persons in different types of organisations as a construct that is used to make sense of the assimilation process of rural migrant workers within urban communities in the context of their working environment, which is based on an interpretivist epistemological position.

According to Burrell and Morgan (1979) paradigms reflect the assumptions researchers make about the nature of organisations and how we find out about them. A functionalist paradigm position for the study of organisation is based on a problem-solving orientation which leads to rational explanation. An interpretative paradigmatic position questions whether organisations exist in any real sense beyond the conceptions of social actors, so understanding must be based on the experience of those who work within them. If this paradigm framework was consistently applied, a clear correspondence between the paradigm adopted and the research methods used would be expected to see: the functionalist paradigm community using questionnaire survey, and the interpretative paradigm community using ethnographic methods. In fact, research methods are much more ‘free-floating’ in terms of epistemology and ontology than this proposition suggests (Bryman and Bell 2007). As is described in 4.1, a mixed methods case study methodology has been used in this study. In this mixed methods case study, the link between research methods and

epistemological and ontological commitments is also not deterministic. Both quantitative and qualitative approaches are used in this study to provide a more complete set of findings and to verify the validity of findings by cross-checking them using the two methods. For example, the quantitative data collection method in this study (questionnaires) enables the exploration of rural workers' and urban workers' social network through investigating their contacts used as helpers in an instrumental action. This positivistic approach can help the researcher to establish casual links and relationships between their career progression and their contacts. See section 5.1 in chapter five. This provides a constructive contribution for understanding what social structure in organisations is good for rural migrant workers' inclusion within their work environment, which plays an important role in relation to a constructionism stance in this case study. The qualitative data collection method in this study (interviews) is used to give the researcher a fuller description of information and multiple perspectives through which the reasons why particular social structure in organisations is good for rural migrant workers' inclusion within their work environment are analysed based on managers' and workers' experiences. This is based on an interpretivist epistemological position. For details see section 4.3 - the theoretical background of research methodology for interview analysis.

#### **4.3. The theoretical background of research methodology for interview analysis**

**Figure 4.3 - A mind-map** – summarising research methodology for interview analysis



In interviews, the researcher sought to interact with informants to acquire in-depth qualitative data (See Figure 4.2). The researcher is a native Chinese speaker, whose primary school, secondary school, senior school and first university education was undertaken in China. The use of my native language (Mandarin) would be practical, and would help to support the research quality in China. Chinese language is integral within China's culture. The researcher comes from Shandong Province which is Confucius' hometown and has been reared within Chinese traditional culture. The researcher is familiar with Chinese national situations and is skilled in dealing with people in China.

First, the researcher used content analysis to analyse interview transcriptions. Krippendorff (1980) (*cited by* Myers 2013) defined content analysis as: 'A research

technique for making replicable and valid references from data to their contexts.' The researcher searched for structures and patterned regularities in the text and made inferences on the basis of these regularities (Myers 2013). In summarizing content analysis, the material is paraphrased. Less relevant passages with the same meanings have been omitted; this is the first way in which material was reduced. Similar paraphrases were then assembled and summarized (the second reduction). This process allowed the material to be reduced by turning several concrete statements in the original text into paraphrases, which abstracted more from the concrete formulations. If, for example, 10 statements were represented by the same paraphrase, this one paraphrase has been identified in further analysis; thus the original text of 10 statements has been reduced to one statement. In order to make this reduction more effective, the paraphrases were then reformulated on a more abstract, general level (Flick 2014). The content analysis strengthened the researcher's insights, and helped to rationalise them.

Then the researcher also analysed the interviewee transcripts under the guidance of Constructivism (*Andrews 2012*) and Structuralism (*Grbich 2007*). Society is viewed as existing both as a subjective and an objective reality. Meaning is shared, thereby constituting a taken-for-granted reality. Social constructivism accepts that there is an objective reality. It is concerned with how knowledge is constructed and understood. It has therefore an epistemological perspective. Social constructionism views society as existing both as an objective and a subjective reality (*Andrews 2012*). Constructivism proposes that each individual mentally constructs the world of experience through cognitive processes (*Young and Colin 2004 cited by Andrews 2012*). Constructionists view knowledge and truth as created not discovered by the mind and view knowledge as created by the interactions of individuals within society, which is central to constructivism. Concepts are constructed rather than discovered, yet maintain that they correspond to something real in the world (*Schwandt 2003 cited by Andrews 2012*).

Constructivism is an epistemological belief about what "knowing" is and how one "comes to know." Constructivists believe in individual interpretations of reality, that is, the knower and the known are interactive and inseparable (*Vygotsky 1978*). Vygotsky's (1978) socio-historical development psychology focuses on the dialectic

between the individual and society, and the effect of social interaction, language, and culture on learning. An understanding of human thinking depends, in turn, on an understanding of the mechanism of social experience; the force of the cognitive process deriving from the social interaction is emphasized. Social factors can influence rural migrant workers' ideology through rural migrant workers' social construction.

Accordingly, this research also paid attention to mental and cognitive structures of rural migrant workers, urban citizens and senior managers and directors in private companies and the SOE. It examined their impulses and feelings which have been deeply rooted and have been retained in their mental structure. The research of informants' practical logic of actions in their daily life can help study the ways contributed to the social inclusion of rural migrant workers. Empirical collection of data has assisted the researcher to gain an in-depth cognition basis for informants' social identification.

Piaget's (1985) theory is fundamental to cognitivism and to constructivism. His central idea is that: "knowledge proceeds neither solely from the experience of objects nor from an innate programming performed in the subject but from successive constructions." (*cited by Fosnot 1996*). Practice Theory regards the single individual as a bodily and mental agent (Reckwitz 2002). The practice should be understandable to the agent or the agents who are the carriers, and also to the potential observers (Schatzki 1996 *cited by* Reckwitz 2002). Practice Theory encourages a shift in self-understanding, and agents should be regarded as carriers of routinized bodily movements, interpreting, knowing how, wanting and the usage of things. Practice Theory explores the mental activities of understanding and knowing and embodies an analysis of interconnected bodily routines, mental routines and the use of objects (Reckwitz 2002). It is not like mentalism where the body gains the status of an epiphenomenon, it carries out what the mind commands; thinking has priority over bodily action (Reckwitz 2002).

Therefore, in summary, the researcher has paid attention to informants' experiences, hopes, feelings and their processes of self-construction in their social practice. According to the cognitive theory, people organise their knowledge in accordance to how they see the world and previous knowledge. Cognitive theory researches the

cause of changes which result from experiences. Everyone's cognitive style is different as everyone is unique and has different experiences and mental inclination when they meet certain information. Similarly, according to Practice Theory, every practice implies a particular routinized mode of intentionality (of wanting, desiring certain things, and avoiding others) (Reckwitz 2002). A "bridge" between people's experience and their practical logic of actions can be built to help identify the motivation of rural migrants moving to urban communities in China. See 5.8.10 and 5.8.11 (the interview analysis in 5.8). In the research process, the researcher retained the informants' social practice and their potential logic of actions in their practice in mind and the researcher also regarded individuals and society as participants in the common activities. They are subjects as well as objects.

The researcher also analysed the interviews' transcripts under the guidance of structuralism. According to structuralism (Gribich 2007), the researcher seeks the way effects are created through metaphors, repetition and binary opposites. In comprehending meaning we utilise the difference between a specific word and similar concepts as well as opposing concepts. Meaning is seen as being structured through binary opposites (Ferdinand de Saussure 1983 *cited by* Gribich 2007). Jean Piaget considers structuralism as "a method and not a doctrine" because for him "There exists no structure without a construction, abstract or genetic." (Piaget 1985 *cited by* Kundu 2013).

As such, the research framework of the analysis of interviews has been constructed from the perspectives of content analysis, constructivism and structuralism. For the summary of the research framework of the analysis of interviews in this study, see Figure 4.2. The coordination of different research approaches can offer a view of society as an undifferentiated whole and a view of individualism which may complement one another, thereby helping the researcher to analyse informants' thoughts in depth. In the interviews, as far as the epistemological assumption of a qualitative paradigm is concerned, the researcher cannot remain distant and independent of his/her research subject. Therefore, in interviews, the researcher will unavoidably interact with informants to acquire in-depth qualitative data.

For the interview analysis see sections 5.8.10, 5.8.11, 5.10 and 5.11 in chapter five.

#### 4.4 The design of the questionnaire

The questionnaire was set out in four parts, each inquiring into specific aspects of the processes surrounding the motivation, assimilation and contribution of social capital in relation to rural migrant workers. Specifically, each part is investigated as follows:

Part 1: Questions in Part 1 are classification questions. Classification questions are usually demographic variables that allow participants' answers to be grouped so that patterns are revealed and can be studied (Blumberg *et al.* 2014). These questions also helped the researcher to understand the participants' essential information.

For example:

1. Are you male or female?

PLEASE GIVE ONE ANSWER ONLY AND TICK THE APPROPRIATE BOX

i Male..... ☐

ii Female..... ☐

2. Into which of the following groups does your age range fall?

PLEASE GIVE ONE ANSWER ONLY AND TICK THE APPROPRIATE BOX

18-25..... ☐

26-29..... ☐

30-34..... ☐

35-39..... ☐

40-44..... ☐

45-49..... ☐

50-54..... ☐

55-59.....☐

60-65.....☐

Over 65.....☐

4.The length of your education was \_\_\_\_\_

PLEASE CIRCLE THE HIGHEST LEVEL YOU HAVE ATTENDED

i Junior middle school    ii Senior high school    iii Junior vocational college

iv University    v Others    Please give details\_\_\_\_\_

5.Your type of household registration/hukou

PLEASE GIVE ONE ANSWER ONLY AND TICK THE APPROPRIATE BOX

i.Agricultural .....☐

ii.Non-agricultural.....☐

Part 2: Questions in Part 2 inquire into the motivation of rural migrants moving to urban communities and the aspects of the processes of assimilation and the influence of pre-existing urban residents. The respondents are rural migrants whose household registration/hukou are agricultural household registration/hukou or once had agricultural household registration/hukou.

The processes and extent of assimilation and the influence of pre-existing urban residents:

For example:

7. What job did you obtain when you first came to the city?

i. Executive position    ii. Technical work    iii. Production post    iv. Rear Services

v. Self-employed    vi. If others, please provide a description\_\_\_\_\_

11. How did you first come to the city to seek a job?



PLEASE GIVE ONE ANSWER ONLY (circle the number which applies to you)

- i. On your own      ii. Went to live with your relatives or friends
- iii. Came with fellow- villager      iv. Guided by the fellow-villager who lives  
in the city      v. If others, please provide description\_\_\_\_\_

12. How did you find your first job?

PLEASE GIVE ONE ANSWER ONLY AND CIRCLE THE APPROPRIATE  
NUMBER

- i. Media advertisement      ii. Outdoor advertisement      iii. Labour force market      iv.  
Employment agency      v. Direct application
- vi. Introduced by relatives and friends in the city      vii. Introduced by  
acquaintances      viii. Introduced by a fellow- villager who came to city  
earlier than you.      viii. If other, please provide the description \_\_\_\_\_

16. Do you think non-migrant workers contribute to your economic well being  
and economic welfare and introduce skills to you?

- i. Disagree strongly
- ii. Disagree
- iii. Agree
- iv. Agree strongly

24. How do you position yourself?

- i. Rural                      ii. Partly Urbanised                      iii. Fully Urbanised

30. What difficulties do you often meet when you interact with urban citizens?

- i. No difficulties                      ii. Mode of thinking and concepts are different                      iii. Life  
style is different                      iv. Not enough chances to socialise with urban citizens

v. Urban citizens look down on us  
descriptions\_\_\_\_\_

vi. If others, please provide

The motivation of rural migrants moving to urban communities:

For example:

18. Below are a number of statements regarding reasons why you may have come to the city. Please answer all statements and for each one you can select any number from 0 for reasons you think are unimportant to 5 for reasons you think are extremely important. Please circle the appropriate number.

	Unimportant	Important			Extremely Important	
i. High income	0	1	2	3	4	5
ii. Better life	0	1	2	3	4	5
iii. Better welfare	0	1	2	3	4	5
iv. Good job	0	1	2	3	4	5
v. Good Environment	0	1	2	3	4	5
vi. Good opportunity	0	1	2	3	4	5
vii. Farming is too hard and I cannot earn very much from farming	0	1	2	3	4	5
viii. Get used to working in the city and the city lifestyle	0	1	2	3	4	5
ix. Nothing to do in the countryside	0	1	2	3	4	5
x. Hometown is too poor	0	1	2	3	4	5
xi. Prefer city life to country life	0	1	2	3	4	5
xii. Do not know how to farm as we were predisposed towards study	0	1	2	3	4	5
xiii. Earn money to	0	1	2	3	4	5

	support family members to study					
xiv.	Earn money to build 0 a house in the countryside	1	2	3	4	5
xv.	Other people all go 0 to work in the city	1	2	3	4	5
xvi.	People think we 0 should go to the city to seek development	1	2	3	4	5
xvii.	If other, please provide a description_____					

21. Given what you achieved so far, what is your current motivation that keeps you here? Do you stay in the city because\_\_\_\_\_? Circle the appropriate number.

- i. My future is in the city.
- ii. The option to go to the countryside is not available to me.
- iii. I do not want to go back.
- iv. I am willing to consider the option to return to the countryside.
- v. If other, please provide a description\_\_\_\_\_.

### Part 3:

As questions in part 2 mainly traces the process of how rural migrants find their first jobs in cities in order to analyse the process of assimilation, part 3 innquires into current job information about rural migrants and urban citizens. This allows participants' answers to be grouped for analysis.

For example:

3. Your current position is \_\_\_\_\_

- i. executive position
- ii. Technical work
- iii. production post
- iv. rear services post
- v. If other, please provide a  
description\_\_\_\_\_

4. The company where you currently work is a \_\_\_\_\_

i. Party and government organisation    ii. State-owned company

iii. Private company

iv. If other, please provide a description \_\_\_\_\_

7. Your professional technical title / technical class in your current job

i. No professional technical title    ii. No professional title, but master of a

trade    iii. Primary professional technical title    iv. Intermediate

professional technical title    v. High professional technical title

Part 4: Questions in part 4 are designed to evaluate organisations/companies that have social capital at the middle range into research on the inclusion of rural migrants within urban communities with an analysis of classification questions.

For example:

1. The relationship between the Marxist strain of social capital and SOEs

Marxist strain's theory of practice and social capital claims social groups are implicit or probable classes in the sense that their existence, identity, and membership are determined by non-voluntary predispositions shaped by everyday struggles over the consumption and distribution of limited economic, social and cultural resources. Social norms in this strain are thus primarily pre-reflective, stratifying norms of consumption that, for instance, predispose some actors to "choose" to drink beer instead of wine, or to "join" rugby clubs rather than bird-watching societies (Lewandowski 2006).

The heavy emphasis of the Marxist strain of social capital theory on the non-voluntary pre-dispositional constitution of social groups, makes it difficult to see how Bourdieu's theory of practice can conceive of human actions and associations as

anything other than the more or less seamless reproduction of an objectively stratified social structure or field (Lewandowski 2006). Because of the leading role of command political economic regimes in the SOE, a resemblance can be noticed between the Marxist strain of social capital and social capital that are in SOEs (for details, see 3.1 and 5.3). However, this typical type of social capital in the Marxist strain does not facilitate actions; rather it determines them (Lewandowski 2006). Similarly, the key point of socialist public ownership is to make sure that the ability of resource allocation is on the basis of a steadily expanding national economy in order to safeguard all society members' interests that are not limited by special interests embodied in private ownership (Peng *cited in* Liu, 2013). However, in Bourdieu's Marxist strain (Bourdieu 1986) social capital is a highly group-specific, context-dependent and socially stratifying resource. In this case, can rural migrant workers have more or less social resources in the state-owned enterprise? Therefore, these give rise to some questions in the questionnaire. This can help to give new insights for the Marxist strain of social capital theory.

Do you think you have enough career prospects available?

How much control do you feel you have in making decisions that affect your everyday working life?

How strong is the feeling of a sense of belonging do you have in your company?

Do you feel that you have the power to make important decisions that change the course of your life?

(For details see questionnaire)

2. The relationship between the rational strain of social capital and private companies

The traditional state-owned economy does not recognize any private ownership. The master is the abstract comprising the whole nation. This is an economy without final trustees. Numerous organisations and people seem to be trustees, but after bearing close inspection, they are agents rather than trustees who assume property accountability (Zou 2004 *cited in* Liu 2013). In this case, the absence of a property right entitlement can cause the efficiency of public ownership to be lower than the efficiency within private ownership. Without private ownership, there is no market economy. New Classic economic theory also proves that a completely competitive market system is a system that can make the efficiency of resource configuration be in a state of Pareto optimality, optimizing the allocation of resources. However, this market economy is a kind of formalist idea as this reasoning needs a strict hypothetical premise in theory-the Hypothesis of economic man and a completely competitive market. The hypothesis of economic man is a most basic assumption prerequisite of Western economic theory. In this sense, the theoretical logic that the efficiency of public ownership is lower than the efficiency of private ownership is the proposition of beliefs and ideals (Yu 2013 *cited in* Liu 2013).

Central to the economic or rational strain in contemporary social capital theory is the rational choice conception of the actor as an essentially self-interested individual whose behaviour, guided by instrumental reason, always takes the form of strategic action. (Lewandowski 2006 *cited by* Edwards *et al.* 2007). Coleman's Rational strain social capital theory asserts that social capital worked in a way that was broadly comparable to, and congruent with, the role of the 'invisible hand' of the market in classical economic theory (Heinze and Strunck 2000:179 *cited by* Field 2008). Individuals in private firms are allowed to devise their own rules and enforce these rules to deal with the daily concerns insofar as those rules are: "within the broad set of potentially lawful rules that are theoretically consistent with the larger constitutional system." (Ostrom, Gardner, and Walker 1994: 39 *cited by* Ostrom and Ahn 2013). There is a similarity between the rational strain of social capital and social capital that is in private companies. Compared to social capital in SOEs, social capital in private companies works in a way that is also congruent with the role of the 'invisible hand' of the market and rational choice in classical economic theory. Therefore, in this research, there is a hypothesis: social capital in private companies worked in a way which is also congruent with the role of the 'invisible hand' of the

market and rational choice in classical economic theory. The rational strain of social capital theory (Coleman 1990a and Becker 1990 *cited by* Edwards *et al.* 2007) is integrated into the research of private companies in this study.

Coleman (1994) sought to integrate economic and social theory on the basis of rational choice theory (Field 2008). However, as a consequence of such individualist rationality assumptions regarding the nature of human action as utility-maximisers, the rational strain of social capital theory understands that trust among actors is horizontally thin (Hardin 2000). Rational choice theory has no place for affect – that is, for such basic elements of human behaviour such as altruism, love and friendship (Misztal 1996: 80-8; Sztompka 1999: 66 *cited by* Field 2008). An analysis of the social character of action, norms and trust is thus omitted entirely in the rational strain in contemporary social capital theory (Lewandowski 2006). Accordingly, can rural migrant workers get access to the resources from non-agricultural people or managers to promote their career/ life? Are people who are in SOEs more like to help each other and are rural migrants or people, who are in private companies, more likely to help each other and migrant workers? This too leads on to specific questions in this questionnaire. For example:

Do you agree most people at your work place are willing to help if you need it? Please put the following groups in order. For the contribution to your future career progression, what group has actually helped you most up to now, starting with 1 for most helpful to 7 for least helpful?

- |                    |                          |
|--------------------|--------------------------|
| i. Family members  | <input type="checkbox"/> |
| ii. Relatives      | <input type="checkbox"/> |
| iii. Acquaintances | <input type="checkbox"/> |
| iv. Friends        | <input type="checkbox"/> |
| v. Colleagues      | <input type="checkbox"/> |
| vi. Line managers  | <input type="checkbox"/> |
| vii. Bosses        | <input type="checkbox"/> |

Please put the following groups in order. For the contribution to your future career progression, which of the following groups is likely to give you most benefit, starting with 1 for most helpful to 7 for least helpful?

- |                    |                          |
|--------------------|--------------------------|
| i. Family members  | <input type="checkbox"/> |
| ii. Relatives      | <input type="checkbox"/> |
| iii. Acquaintances | <input type="checkbox"/> |
| iv. Friends        | <input type="checkbox"/> |
| v. Colleagues      | <input type="checkbox"/> |
| vi. Line managers  | <input type="checkbox"/> |
| vii. Bosses        | <input type="checkbox"/> |

How friendly do you find the environment in your work place?

In general, how happy do you consider yourself to be with the  
atmosphere in your work?

3. Trust and trustworthiness are essential for the completion of many complex transactions in modern life (Ostrom and Ahn 2010). Granovetter (1985) (*cited by* Zhang 2010) claimed that any transaction is embedded in social networks and trust generated through human interaction can help to inhibit opportunist action. From the standpoint of people's motivation in indulging in opportunistic behaviour, combining with human psychology and individual behavioural factors, motivation theories from the perspective of the theory of management science discuss people's need for motivation. Incentives for human capital increase staff costs for opportunism and effectively reduce organizational costs and ultimately enterprise can achieve an efficient allocation of resources. The trust factor is involved in the process of implementing command or incentives mechanisms. Trust in transactions between two sides has exceeded the minimum trust for an effective operation of transaction, which promotes the achievement of enterprises' resource optimization. In fact, interactions of actors in the network are important to curb speculation. With trust, more supervision and authority control become redundant. (Zhang 2010). This too leads on to specific questions in this questionnaire. For example:

How strongly do you think you generally trust one another in your work place?



What do you consider over the last 5 or 10 years this level of trust for one another has got better, got worse, or stayed about the same if you have been employed in the same company?

In general, do you agree with the following statements? (If you agree, circle the letter)

- A. Most people who work in the company can be trusted.
- B. In the company, one has to be alert or someone is likely to take advantage of you.
- C. Most people in the company are willing to help if you need it.
- D. In the company, people generally do not trust each other in matters of lending and borrowing money.

How far do you trust people with a non-agricultural hukou if you are a rural migrant worker?

How far do you trust people with an agricultural hukou if you are a non agricultural hukou resident?

4. The structure of a network can be relevant to its social capital properties for individuals within it. Sociocentric approaches in network analysis examine patterns of relationships within a social system. Perhaps best illustrative of this approach is Burt's (1992) "structural hole" work. Burt stresses that an individual has a comparative advantage in a competitive situation if those who are connected to him/her do not have ties to each other. Dense networks tend to convey redundant information, while weaker ties can be more extensive and can provide new knowledge and resources (Kay and Johnston 2007). Employees' posts in a company determine their occupational status. Inferred from the Structural Holes Theory (Burt

1992), people who have senior jobs in companies can have a greater opportunity to control work resources and expand their social networks and enjoy higher satisfaction in the work place. Comparatively, in terms of migrant workers who only hold junior positions, the probability of controlling work resources is decreased and it is harder for them to be seen as socially acceptable. There is another hypothesis which proposes that the better the work unit or company migrant workers work at, the higher their life satisfaction is as perhaps a better work unit can represent higher economic status and social status and increase the likelihood of migrant workers' urban inclusion. According to this hypothesis, these too lead on to specific questions in this questionnaire.

Your current job is \_\_\_\_\_

i. executive position      ii. Technical worker      iii. production post

iv. rear service post ?      v. If other, please provide a

description\_\_\_\_\_

Your professional technical title/ technical class before you came to the city

i. No professional technical title      ii. No professional title, but master

of a trade      iii. Primary professional technical title      iv. Intermediate

professional technical title      v. High professional technical title

The company where you currently work is a \_\_\_\_\_

i. Party and government organisation      ii. State-owned enterprise

iii. Private company

iv. If other, please provide a description\_\_\_\_\_

How do you rate your job satisfaction in your work place?

5. Burt (1992) thinks that social networks need to be built efficiently. If a person's social network is repetitive, the information he/she receives will be identical. Duplicate information will cause low efficiency. Following this logic, rural migrants who maintain a loose network structure of different and less connected social contacts, thus can benefit from having such information advantages and get ahead of competitors in the labour market (Burt 1992). Weak ties or acquaintances often provide more valuable information which can more efficiently facilitate job searching, and can play an important role in seeking opportunities in the labour market (Granovetter 1973). To test this hypothesis, the questions have been designed in the questionnaire are as follows:

Please put the following groups in the order in which you interact with them in your company, starting with 1 for your interaction with most in your company through to 4 for your interaction with least in your company.

- i. Line Managers
- ii. Colleagues
- iii. Bosses
- iv. Fellow Villagers

Please rank the people you meet and interact frequently in social Contact area, starting with 1 for high frequency through to 6 for low frequency.

- i. Relatives( except close family members)
- ii. Friends
- iii. Acquaintances
- iv. Colleagues
- v. Line managers
- vi. Bosses

How do you rate your job satisfaction in your work place?

6. Furthermore, according to “Snyder’s Hope Theory”, there are three components associated with hope: 1) having goal-oriented thoughts; 2) developing strategies to achieve goals; and 3) being motivated to expend effort to achieve goals. An individual’s belief in his/her ability to realise these components determines the likelihood they will develop a sense of hope (Snyder 1994). The questions which follow are designed in the questionnaire to analyse rural migrants’ and urban citizens’ goal-oriented thoughts; pathways-like thinking (Milller, Galanter, and Pribrams 1960 *cited in* Snyder 2002). When developing strategies to achieve goals, the likelihood is that rural migrants will develop a sense of hope. The following three questions therefore were designed to elicit information from three time periods. That is prior to their start of their career, during their period of employment and expectations for the future. These questions can help to explore employees’ social network which embedded resources are accessible to them. This can further explain what social structure in organisations can contribute to the inclusion of rural migrant workers within their working environment.

Please put the following groups in order. Looking back to when you first started in this career which of the following groups did you expect to give you more assistance in your career progression, starting with 1 for most helpful to 7 for least helpful?

- i. Family members
- ii. Relatives
- iii. Acquaintances
- iv. Friends
- v. Colleagues
- vi. Line managers
- vii. Bosses

Please put the following groups in order. Which group has actually helped you most so far, starting with 1 for most helpful to 7 for least helpful?

- i. Family members
- ii. Relatives
- iii. Acquaintances
- iv. Friends
- v. Colleagues
- vi. Line managers
- vii. Bosses

Please put the following groups in order. Which of the following groups would be likely to give you most assistance for your future career progression, starting with 1 for most helpful to 7 for least helpful?

- i. Family members
- ii. Relatives
- iii. Acquaintances
- iv. Friends
- v. Colleagues
- vi. Line managers
- vii. Bosses

Please put the following groups in order. Which of the following groups do you hope will give you most assistance in your career progression, starting with 1 for most helpful to 7 for least helpful?

- i. Family members
- ii. Relatives
- iii. Acquaintances
- iv. Friends
- v. Colleagues
- vi. Line managers
- vii. Bosses

Furthermore, the researcher presented respondents with this questionnaire but would not influence them in any way, however, if they were unclear about any question, the researcher would clarify this or these for them.

It is always advisable to pilot a questionnaire before a study goes live. Questionnaires are rarely faultless at the first attempt. They need revising and testing until all concerned, researcher and respondents, are happy that they have the best questionnaire, which can be constructed. Piloting a questionnaire should be an integral part of that process (Brace 2008). The validity of the questionnaire is whether or not it is measuring what it is designed to measure. Testing a questionnaire for validity requires that the researcher questions whether the questions posed adequately address the aims and objectives of the study. Piloting a questionnaire can be divided into three areas: reliability, validity and error testing (Brace 2005).

In the pilot study it was discovered that many rural migrants' agricultural hukou had been changed to an urban household registration/hukou. However, in the questionnaire, there was an instruction: if your household registration is agricultural household registration/hukou, please also answer the following questions in section 2 and answer questions in section 3 and 4. If you are non-migrant, please directly answer questions in section 3 and 4. In this sense, rural migrants who had changed their rural household hukou could not answer the questions in section 2, which were designed for rural migrants. Therefore, the researcher changed the instruction as follows: if your household registration is an agricultural household registration/hukou or if you once had an agricultural household registration/hukou, please also answer the following questions in section 2 and answer questions in sections 3 and 4. If you are non-rural migrants, please go directly to the questions in sections 3 and 4.

The attitudes within institutions appear embedded in the Chinese labour market. Because of the marginalized characteristics of migrant rural workers, this inquiry has studied if there are social acceptance issues and rejection towards migrant workers in the employment market. It was considered important to establish a unified and standardized labour market, make a unified plan for rural and urban employment, and ameliorate the employment service system. Based on the literature review, most of the urban citizens are in the core position of public facilities and public services. In

this case, this enquiry also studies if rural migrant workers can also enjoy the same public facilities and public services. When the researcher did a pilot study with this understanding on this condition, some senior managers were interviewed by the researcher. The researcher got a preliminary understanding of the development status and problems of rural migrant workers and China's economy. This means that the contribution of social capital to the inclusion of rural migrant workers within urban communities in Shandong province were reflected on from employees (that included rural migrant workers and urban citizens) and senior managers or employers to improve the questionnaire. This illuminated non alignment in the expectations of two main role players.

The deputy general manager in private company C said he was from a village. Cities attracted a steady flow of immigrants from the countryside who would find opportunities for work. About twenty five years ago, he studied hard to pass the university entrance examination, as undergraduates from rural areas can change their agricultural household registration to urban household registration, and he had a strong desire to turn his agricultural hukou (Chinese household registration) to an urban hukou. Further, being an urban registered permanent resident can mean everything when it comes to jobs and opportunities. This was all in his mind at that time and a good education helped him to obtain a good job in the city. Nevertheless, he wanted his agricultural hukou returned because agriculture subsidies and compensation for land requisitioned can only be enjoyed by people with an agricultural hukou.

If they worked in companies in cities, they could also receive urban social insurance and medical insurance. Nevertheless, the current policy does not allow them to change their hukou and villages also do not happily welcome former residents back to share their benefits.

The employer in private company C said that recruitment depended largely on people's skills rather than their hukou; they recruited employees through a fair held by local government, computer networks or recruitment through labour markets. Normally, rural migrants arrive through apprenticeships; they begin their career as apprentices and gradually improve their skills. The company regularly provided job-related counselling and employment training. He also expressed the view that rural

migrant workers' integration into urban life played an important role in the nurturing of talent; this was also good for them when they returned to their village, as their skills and social networks could be used to create businesses and citify villages; in addition, rural urbanisation could also spur domestic demand.

In summary, these views inspired the researcher to think that one question could be included in her final questionnaire. This question is as follows:

Would you like to return to the countryside to work, to promote the enlargement of township in the countryside and to contribute to the construction of a new countryside or to continue to work in the city?

- i. Return to the countryside to work
- ii. Work in the city
- iii. It does not matter to me

For the English and the Chinese version of the questionnaire, see Appendix III.



## **Research methodology and pilot study: conclusion**

The quantitative data analysis of responses from the employees in one SOE and four private companies collected in this case study is discussed alongside the feedback received from the semi-structured interviews conducted on the employers and managers and rural migrant workers. A quantitative approach to the research and a qualitative approach to the research have been adopted to provide a more complete set of findings and to check the validity of the findings by cross-checking them, utilising the two methods. Based on the exploration of theory in Chapter 3 – literature review, a proposition for testing has been formulated. For example, this study posits the question as to whether there is a bond of sympathy and cohesion that has developed between members of SOE and a lack of mutual altruism in private companies. The quantitative data analysis and the analysis of semi-structured interviews conducted on the employers and managers and rural migrant workers will help research the social capital in SOEs and private companies to give new insights for the Marxist strain of social capital theory and the rational strain of social capital theory, contributing to theory building research as well. Therefore, this case study is used in relation to the discovery of information (an inductive logic) and the testing of theory (a deductive logic).

## CHAPTER FIVE

### **Data analysis and discussion**

- 5.1 Career progression
- 5.2 The role and relevance of relationship networks in organisations with respect to staff's career progression
- 5.3 An analysis of social capital from the perspective of power and control in the SOE and private companies and an exploration of the Marxist strain of social capital in the SOE.
- 5.4 The analysis of trust between registration (hukou) groups in organisations and an exploration of the rational strain of social capital in private companies.
- 5.5 Job satisfaction with respect to educational attainment, income, trust and control
- 5.6 Interaction with respect to registration within the hukou system
- 5.7 Influences of pre-existing urban residents and job opportunities
- 5.8 Identification of the motivation of rural migrants moving to urban communities
- 5.9 Rural migrant workers' working environment with respect to gender

5.10 An analysis of interviews in State Owned Enterprise D

5.11 An analysis of interviews in private companies

## Introduction

This chapter explores how social capital is affected by the institutional and organizational factors of both an SOE and private companies for the inclusion of rural migrant workers within urban communities. It also considers the interactions between people in both types of organisations for the inclusion of rural migrant workers within urban communities and explores the factors influencing the motivation of rural migrants moving to urban communities in Shandong Province, China.

Section 5.1 finds that a close relationship between employers and employees/rural migrant workers created social capital which was evidenced by more cohesion within the private companies and an obvious contribution to employees'/rural migrant workers' hopes and career progression. This emphasizes that private companies' caring environment contributed to a good company culture and collective ideology and further increased social capital in companies. National macro-economic policy should better encourage the development of companies that have this structure of relations, contributed to by a less hierarchical system, as well as employers' close relationship with their employees (thereby linking social capital) and cohesion among their staff and the norm of reciprocity.

Lin (2001) claimed that social capital is captured from embedded resources in social networks. The analysis of the current research shows, section 5.2 (1), that there are more acquaintances acting as resources in the career progression within the state owned enterprise. Kotter (1990 *cited by* Harvard Business Review 2010) claims that strong networks of informal relationships (for example acquaintances) – the kind found in companies with healthy cultures - help coordinate leadership activities. The leader-follower relationship is reciprocal and enables effective leadership and is a two-way process which influences both individual and organisational performance (Mullins 2007). However, people who worked in the state owned enterprise were less likely to receive help from employers than those who worked in the private companies. The research also shows, section 5.2 (1), that only where there is a flexible employment and promotion system, and a career pathway that is open to all talents, could strong networks of informal relationships such as acquaintances be positively associated with effective leadership in corporations. Furthermore, the

talented employee may join a company but how long that person stays and how productive they are while they are there is determined by the relationship with their immediate supervisor (Jenner and Shohet 2014). In addition, employees in the SOE who changed from “agricultural” status to “non-agricultural” status are likely to receive more benefits from line managers in the state owned enterprise than in private companies. In section 5.2 (2), the analyses of the relationship network between staff changing from "agricultural to non-agricultural" status in both types of companies and ways to promote social inclusion between line managers and employees in private companies was completed. The prevention of the formation of cliques/strong bonding social capital between line managers and employees in private companies can also help rural migrant workers' social inclusion and can promote rural migrant workers'/employees' social trust outside their usual circles of kinship and personal acquaintances.

In Bourdieu's Marxist strain (Bourdieu 1986), social capital is a highly group-specific, context-dependent and socially stratifying resource. This is considered in section 5.3 and it was found that rural migrant workers obtained more power to make important decisions that change the course of their lives and control slightly more decisions that affect their everyday working in private companies rather than in the SOE; further, in terms of the Marxist strain of social capital that delivers reliable expectations about the behaviour of others (Lewandowski 2006), social capital here does not provide an positive incentive that can be relied upon. The policy of equal pay for equal work in the state-owned enterprise cannot evaluate the real amount of work employees have done so it cannot stimulate their enthusiasm fully. Rural migrant workers do not have more social resources in the SOE.

Coleman's rational strain of social capital indicates that social capital can be worked in a way that was broadly comparable to, and congruent with, the role of the “invisible hand” of the market in classical economic theory (Heinze and Strunck 2000:179 *cited by* Field 2008). What goes on within the firm is closely linked with what goes on outside the firm, within the firm's environment. There is thus a close link between markets and social capital (Stiglitz 1990 *cited by* Dasgupta and Serageldin 1999). Moreover, in democratic societies, individuals in private firms are allowed to devise their own rules and enforce these rules to deal with the daily

concerns insofar as those rules are “within the broad set of potentially lawful rules that are theoretically consistent with the larger constitutional system.” (Ostrom, Gardner and Walker 1994: 39 *cited by* Ostrom and Ahn 2013). Therefore, the researcher hypothesized that social capital in private companies worked in a way that was also congruent with the role of the ‘invisible hand’ of the market in classical economic theory. This study integrates for the first time the rational strain of social capital theory into the research of private companies. According to rational strain social capital theories, individuals can use this structure of relations (efficiency of resource configuration) to obtain their interest, but rational choice theory has no place for affect – that is, for such basic elements of human behaviour such as altruism, love and friendship (Misztal 1996: 80-8; Sztompka 1999: 66; *cited by* Field 2008). However, section 5.4, there is a greater extent of mutual trust between people with non-agricultural and agricultural hukou in private companies; social capital in private companies acts on the premise of mutual benefit and reciprocity rather than only on rational choice.

What is more, section 5.5, with the increase in educational attainment, rural workers, especially those with junior college educational attainment such as that obtained from a vocational technical college, agreed that most people who work in the company can be better trusted in the private companies. In section 5.6, how different interactions affects individuals’ social capital inside companies is explored and the evidence shows that graduates from the countryside can gain easier access to heterogeneous connections in companies. This highlights the importance of education to rural migrant workers.

In section 5.8, the quantitative data analysis of responses from the employees collected is discussed alongside the feedback received from the semi-structured interviews conducted on the rural migrant workers in this study. Section 5.8 identifies the motivation of rural migrants moving to urban communities and further emphasises the importance of urbanisation for them, it also acknowledges the importance of education/vocational technical education to the rural migrant worker so that they can be included in urban society. Section 5.9 analyses rural migrant workers’ working environments with respect to gender.

The interviews are analysed and discussed in section 5.10 and section 5.11. Section 5.10 shows rural migrants' social integration situation in the SOE and analyses reasons why there was lower working efficiency in the SOE. Section 5.11 analyses reasons why there was an inclusive environment for rural migrant workers in private companies. These two sections provide empirical evidence as to why private companies had good meso level social capital which contributed to the inclusion of rural migrant workers within urban communities. This also supports the findings in the previous sections in this chapter.

**Table 5 Summary of data analysis and discussion findings**

5.1		Page	Findings	Objective
Career Progression		Section 5.1.1 Employees' career progression in private companies versus the state owned enterprise	<p>1. A less hierarchical system of private companies provided the organisational environment for employees to engage more closely with employers.</p> <p>2. A closer relationship between employers and employees/rural migrant workers created social capital which was evidenced by more cohesion within private companies and an obvious contribution to employees'/rural migrant workers' hopes.</p>	Objective 2



		<p>Section 5.1.2</p> <p>The perceived importance of company culture and systems on career progression from different types of companies and the importance of employees' cohesion with respect to the hope and career progression of employees who do not perceive they have experienced sufficient career progression</p>	<p>1. The company culture and company systems are perceived less helpful in the state-owned enterprise.</p> <p>2. Employees' cohesion contributes to the hope and career progression of employees who do not perceive they have experienced sufficient career progression.</p> <p>3. A caring working environment and closer relationship between employers and employees promotes the latter's cohesive force.</p>	
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		<p>Section 5.1.3 - Groups that provide support and assistance and who influence the career progression of enterprises</p>	<p>1. Employers' help may be regarded as heterogeneous resources to employees and can create more social capital for them in the private companies.</p> <p>2. Family members' and relatives' help does not contribute to staff's perceived career progression in private companies or in the state-owned enterprise and the results of the analysis are consistent with social capital theory's hypothesis about strong ties.</p> <p>(Those who are not satisfied with their career progression tend to rely most on family members. Those dissatisfied with career progression are less happy with the role of their employers than those who are satisfied. This suggests vertical social capital is also stronger for those with more career progression in the SOE.</p> <p>Again for private companies, those dissatisfied tend to be more reliant on family members than those who are satisfied with their progression. They are also less appreciative of help from their employers. In terms of social capital, the dissatisfied have weaker vertical social capital and stronger bonding social capital. Bridging social capital (reliance on colleagues) seems to be the same for both groups. It is seen as most important for both.)</p>	
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5.2	The role and relevance of relationship networks in organisations with respect to registration within the hukou system	<p>5.2 (1) - Strong networks of informal relationships can only be positively associated with leadership activities in companies when there is flexible employment and opportunities for promotion to all talents.</p> <p>5.2 (2) Relationship network of staff changing from "agricultural to non-agricultural" status</p>	<p>1. Only where there is a flexible employment and promotion system, and a career pathway that is open to all talents, could strong networks of informal relationships such as acquaintances be positively associated with effective leadership in corporations. (There are more acquaintances acting as resources in the career progression within the state owned enterprise. However, people who work in the state owned enterprise are less likely to receive help from employers than those who work in private companies.) Rural workers have low expectations in terms of their career progression in the state owned enterprise. (Employers are perceived as being crucial in the private sector, but less important in state companies.)</p> <p>2. Most graduates from rural areas prefer to work in a state owned enterprise for the sake of greater job security.</p> <p>3. An associated system can help cultivate employees' greater spontaneity and prevent the formation of cliques in companies.</p> <p>4. Staff changing from "agricultural to non-agricultural" status in the state owned enterprise perceive that they have received help from their line managers to a greater extent than agricultural hukou workers. Their vertical social capital is stronger. Again for workers changing hukou from agricultural to urban there is a stronger trust in the role of line managers in state enterprises. Their vertical social capital is stronger than other hukou groups.)</p> <p>For reasons why those workers changing hukou from agricultural to urban have these different attitudes see section 5.2 (2).</p>	Objective 2
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5.3.	Power and control	Section 5.3 - An analysis of social capital from the perspective of power and control in the SOE and private companies and an exploration of the Marxist strain of social capital in the SOE	<p>1. Rural migrant workers can accrue more power to make important decisions that change the course of their life and control slightly more decisions that affect their everyday working in private companies rather than the SOE.</p> <p>2. In terms of the Marxist strain of social capital that delivers reliable expectations about the behaviour of others (Lewandowski 2006), social capital here could not be relied upon as a positive incentive. The policy of equal pay for equal work in the state-owned enterprise cannot evaluate the real amount of work employees have done so it cannot stimulate their enthusiasm fully. Rural migrant workers do not have more social resources in the SOE.</p>	Objective 3
5.4	Trust	5.4 The importance of trust between registration (hukou) groups in organisations and an exploration of the rational strain of social capital in private companies	<p>1. There is a greater extent of mutual trust between people with non-agricultural and agricultural hukou in private companies.</p> <p>2. Social capital in private companies promote mutual trust between rural migrant workers and urban citizens in the private companies.</p> <p>3. Support culture in companies can promote trust. Private companies' performance evaluation system and flexible labour and employment systems can promote mutual trust among different household registration groups.</p> <p>4. Social capital in private companies acts on the premise of mutual benefit and reciprocity rather than only rational choice. Mutual benefit and reciprocity can bring about higher productivity and economic efficiency.</p>	Objective 3

5.5	Job Satisfaction	Section 5.5 - Job Satisfaction with respect to educational attainment, income, trust and control	<p>1. Notwithstanding opportunities available within the private sector, the trend shows a greater preference for the SOE when educational attainment is higher because of relative job security and financial stability.</p> <p>2. From the rural workers' perspective, increasing educational qualification leads to greater trust of colleagues in private firms than in SOEs. Junior college educational attainment such as that obtained from a vocational technical college is especially important for rural migrant workers.</p> <p>3. Enhancing vocational skill training and cultivating skilful workers can help improve relations and mutual trust in companies, which can further help rural migrant workers' work performance and their inclusion within urban society.</p>	Objective 2
5.6.	Interaction	Section 5.6 – Interaction with respect to registration within the hukou system	Graduates from the countryside can gain easier access to heterogeneous connections in companies. This highlights the importance of education to rural migrant workers.	Objective 2
5.7.	Influences of pre-existing urban residents from different types of companies on the assimilation process of rural migrant workers	Section 5.7 - Influences of pre-existing urban residents from different types of companies on the assimilation process of rural migrant workers and ways for employment for rural migrant workers	<p>1. Non-rural migrant workers contributed the economic wellbeing and welfare of staff with “agricultural household registration” and brought skills to them more often in private companies than in the state owned enterprise.</p> <p>2. Rural migrant workers who worked in private companies thought better of urban citizens than rural migrant workers who worked in the state-owned enterprise. Rural workers perceived themselves to be better in private companies.</p> <p>3. The increase of educational attainment of people from rural areas can help them to seek jobs independently in urban society.</p>	Objective 2

5.8	Motivation	Section 5.8 - Identify the motivation of rural migrants moving to urban communities	<p>1. Basic infrastructure in rural areas remained inadequate. Good job, better life, good working conditions, and better living environment, better welfare and higher incomes were also important reasons why they moved to the city.</p> <p>2. Urbanisation could contribute to the development of rural areas' basic infrastructure and then the improvement in rural infrastructure and people's living standards in rural areas would contribute to rural workers' educational attainment and could give them more confidence to migrate to cities.</p> <p>3. Many peasants who had been compensated for their land which had been acquired for urbanisation found it hard to restart their careers in cities. They found this transition difficult. Rural migrant workers in the city with lower educational attainment felt they lagged behind urban workers in many respects.</p> <p>4. With an increase in the length of education, rural migrant workers would be more urbanised. Especially, rural workers with junior college educational attainment such as that obtained from a vocational technical college were the most urbanised. Additionally, with the increase in the length of education, rural migrant workers liked to work in the city more.</p>	Objective 1 Objective 2
5.9	Gender	Section 5.9 – Rural migrant workers' working environment with respect to their gender	<p>1. Female rural migrant workers interacted with colleagues more than males. This also explains why female rural migrant workers regarded their working environment as more harmonious than males.</p> <p>2. Male rural migrant workers need to strengthen interaction with their colleagues. Activities that are organised by companies will help strengthen the interaction with their colleagues.</p>	Objective 2
5.10	An analysis of interviews in State Owned Enterprise D	An analysis of interviews in State Owned Enterprise D – Rural migrant	1. Although there was equal pay for equal work, casual workers' jobs were less secure compared with the jobs of regular staff who worked for the whole people of China. (The latter was a phenomenon of the socialist system). Rural migrant workers (with lower educational attainment) were not offered permanent jobs despite their fundamental	Objective 2 Objective 3

		workers' social integration situation in the SOE and an analysis of reasons why there was lower working efficiency in the SOE	<p>function within the labour system which was vital for the economic success of the enterprise.</p> <p>2. Jobs under ownership by the whole people were very stable but there was a rigid promotion system and superfluous human capital. People did not work with huge degrees of enthusiasm in the state-owned enterprise. Marxist strain of social capital that could be involved in state-owned businesses was not a determining factor that influenced people's working enthusiasm and mutual trust and cooperation/solidarity in intra-organisations.</p>	
5.11	An analysis of interviews in private companies	An analysis of interviews in private companies – An analysis of reasons why there was an inclusive environment for rural migrant workers in private companies	<p>1. There was a gap between rural migrant workers with lower educational attainment and urban workers when comparing their vocational skills and overall capability. Barriers to entry to the SOE were seen to be comparatively higher for rural migrant workers.</p> <p>2. As far as the occupational planning of rural migrant workers with lower educational attainment was concerned, outstanding rural migrant workers, even those with a lower educational attainment, had the opportunity to be promoted to management and to participate in management decisions.</p> <p>3. Private companies had an inclusive environment that provided equal opportunities and career progression for rural migrant workers.</p>	Objective 2 Objective 3

**This chapter is set out in nine sections in order to determine the relationships between some key variables and social capital. It refers to the questionnaires and the results which were elicited during the study.**

## **5.1 Career progression**

Section 5.1.1 Employees' career progression in private companies versus the state owned enterprise

This section proposes to assess the influence of a less hierarchical system which is implicit within private companies in China on employees' career prospects. The investigation also seeks to assess the contribution of a close relationship between employers and employees on the latter's hopes and expectations with respect to their perceived career progression within this context.

The results revealed two main conclusions:

1. A less hierarchical system provided the organisational environment for employees to engage closely with employers.
2. A close relationship between employers and employees/rural migrant workers created social capital which was evidenced by more cohesion within the private companies and an obvious contribution to employees'/rural migrant workers' hopes and career progression.

In this study, Snyder's Hope Theory has been used to understand the social capital of employees with respect to their career progression in private companies and a state-owned enterprise. According to 'Snyder's Hope Theory, there are three components associated with hope: 1) having goal-oriented thoughts; 2) developing strategies to achieve goals; and 3) being motivated to expend effort to achieve goals. An individual's belief in his/her ability to realise these components determines the likelihood they will develop a sense of hope (Snyder 1994). One means for



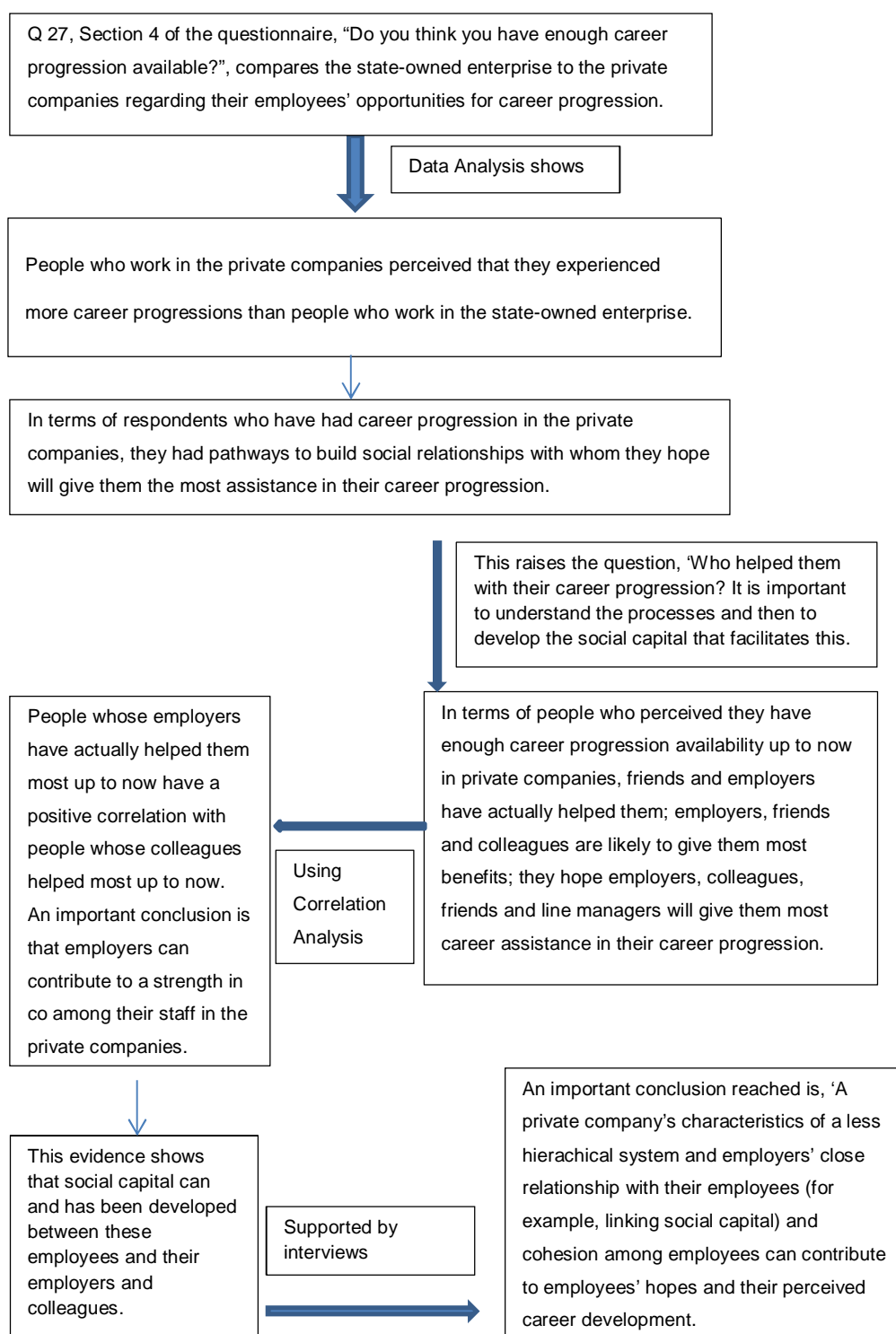
increasing the chances of more people having high hopes is to see to it that environments have been established where people can reach their goals (Snyder and Feldman 2000 *cited by* Snyder 2000). Management's new challenge is to create a work environment that attracts, keeps, and motivates its workforce. The responsibility lies with managers and supervisors at all levels of the organization. They have to create a work environment where people enjoy what they do, feel like they have a purpose, have pride in what they do, and can reach their potential (Smith 2015).

In terms of different enterprises, do employees have enough opportunities to achieve their goals? The researcher, thereupon, posed a question in the questionnaire: "Do you think you have enough career progression?" If respondents chose yes; it reflected that employees had agency thoughts. Agency is the motivational component to propel people along their imagined routes to goals; agency also can reflect one's appraisal of his/her capability to persevere in the goal journey (Snyder 2000). Agency thoughts are reciprocally and causally related to pathways thinking. If employees chose yes (they have career progression), they must have pathways to allow them achieve this. People's effective goal-directed thinking depends both on the perceived capacity to find workable routes and goal directed energy (Snyder 2000). These pathways thinking let them have agency thoughts or hope. Therefore, the researcher analysed the pathways thinking of people who believed they have had enough career progression available. For details see Mind map – 5.1.1.

Five questions were designed to ascertain employees' goal-oriented thoughts; pathways-like thinking (Miller, Galanter and Pribram 1960 *cited by* Snyder 2002) from three time periods. For example: prior to the start in their career, during their career and in any future career. These questions were designed to establish what kind of organisational structure and leadership suited employees' development and led to the cultivation of their cohesion which develops the social capital that facilitates this.

For details see question 4 in section 3 and questions 5, 6, 7 and 27 in section 4 in the questionnaire in Appendix III.

**Figure 5.1.1** – A mind-map - summarising how employees'/rural migrant workers' career progression is related to a private company's characteristics of a less hierarchical system and an estimation of the closeness of employers' relationship with their employees.



## Data analysis

#### 5.1.1.1 Comparing a state-owned enterprise to private companies regarding their employees' opportunities for career progression

The researcher used the Chi-square test to explore the relationship between types of company and career progression of two different groups of people who were from the state owned enterprise and private companies respectively. The Chi-square test, tested whether people who were from the state owned enterprise and people who were from private companies differed significantly in terms of their perceived career progression scores. Therefore, the researcher considered question 4 in section 3 together with question 27 in section 4 of the questionnaire. See appendix 1, question 4 in section 3 and question 27 in section 4.

**Figure 5.1.1.1.1 – Chi - square test for the relationship between types of company and career progression of two different groups of people who were from the state owned enterprise and private companies respectively**

		i.Yes	ii.No	Total	
4	ii state-owned company	Count	72	83	161
		% within 4	44.7%	51.6%	100.0%
	iii private companies	Count	240	103	350
		% within 4	68.6%	29.4%	100.0%
Total		Count	312	186	511
		% within 4	61.1%	36.4%	100.0%

	Value	Asymp. Sig. (2-sided)
Pearson Chi-Square	26.396 <sup>a</sup>	.000
Likelihood Ratio	26.076	.000
N of Valid Cases	511	

As shown in Figure 5.1.1.1.1 above, Sig. value is smaller than 0.05. Therefore, it can be concluded that there is a statistically significant relationship between types of company and employees' career progression of two different groups of people who are from the state owned enterprise and private companies respectively. A total of 44.7% of people who worked in the state owned enterprise compared with 68.6% of

people who worked in private companies indicated that they had enough career progression available. People who worked in private companies experienced more career progression than people who work in the state owned enterprise.

**Figure 5.1.1.1.2 – Chi - square test for the relationship between types of company and career progression of two different groups of rural migrant workers who were from the state owned enterprise and private companies respectively**

**4 \* 28 Crosstabulation**

			28		Total
			i.Yes	ii.No	
4	ii state-owned company	Count	25	35	60
		% within 4	41.7%	58.3%	100.0%
		% of Total	7.6%	10.7%	18.3%
	iii private company	Count	190	78	268
		% within 4	70.9%	29.1%	100.0%
		% of Total	57.9%	23.8%	81.7%
Total	Count	215	113	328	
	% within 4	65.5%	34.5%	100.0%	
	% of Total	65.5%	34.5%	100.0%	

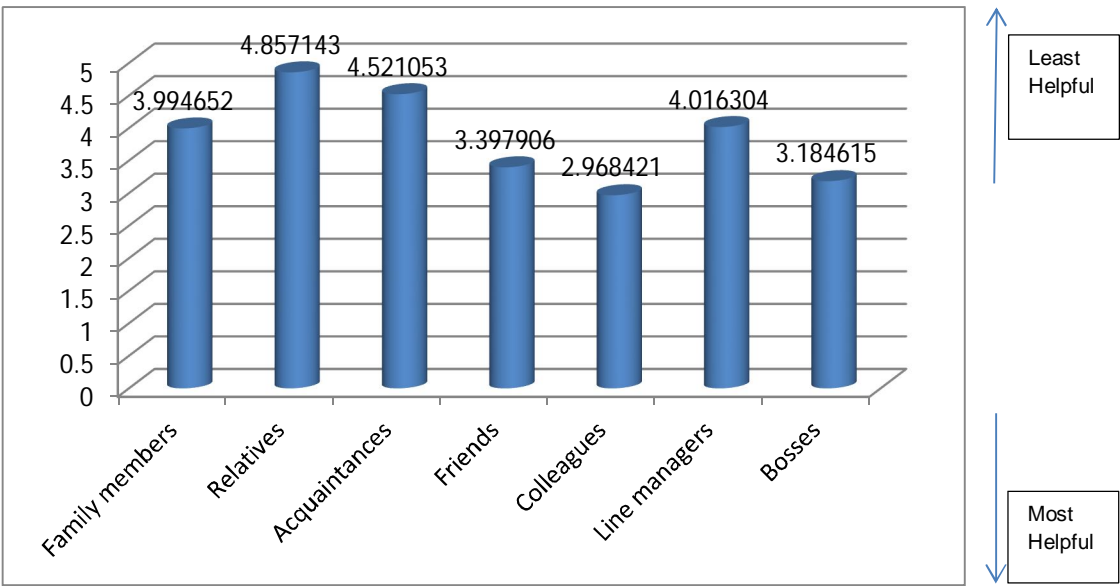
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	18.547 <sup>a</sup>	1	.000
Likelihood Ratio	17.696	1	.000
N of Valid Cases	328		

As shown in Figure 5.1.1.1.2 above, Sig. value is smaller than 0.05. Therefore, it can be concluded that there is a statistically significant relationship between types of company and career progression of two different groups of rural migrant workers who are from the state owned enterprise and private companies respectively. A total of 41.7% of rural migrant workers who worked in the state owned enterprise compared with 70.9% of rural migrant workers who worked in private companies indicated that they had enough career progression available. Rural migrant workers who worked in private companies experienced more career progression than rural migrant workers who worked in the state owned enterprise.

**5.1.1.2 Who had actually helped people who had enough career progression available in private companies the most so far?**

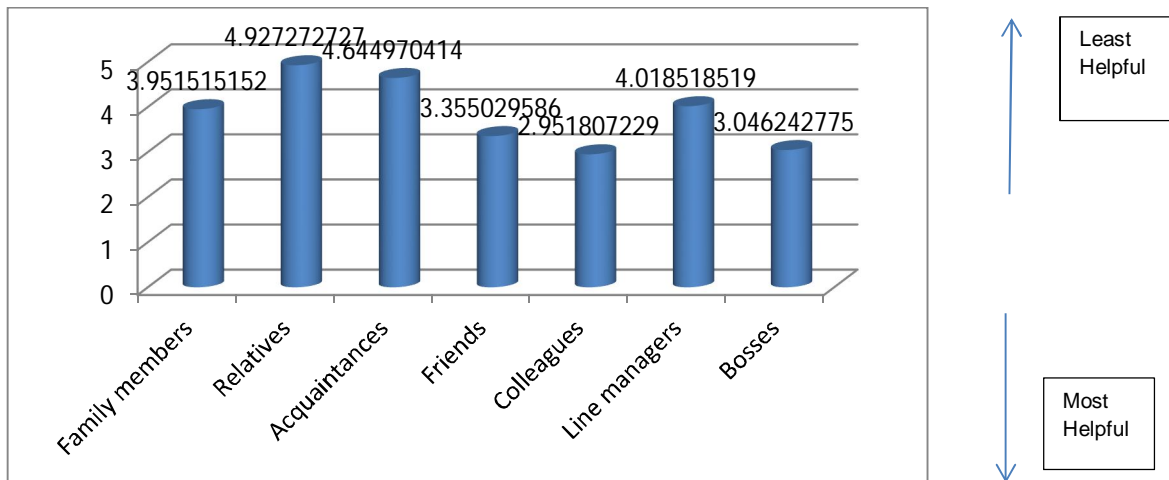
This was taken from question 5 (in section 4 of the questionnaire) See appendix 1.

**Figure 5.1.1.2.1** - The responses of employees who had enough career progression available in private companies



It is evident, from Figure 5.1.1.2.1, that colleagues and employers had actually helped people who had enough career progression available up to now in private companies most.

**Figure 5.1.1.2.2** - The responses of rural migrant workers who had enough career progression available in private companies

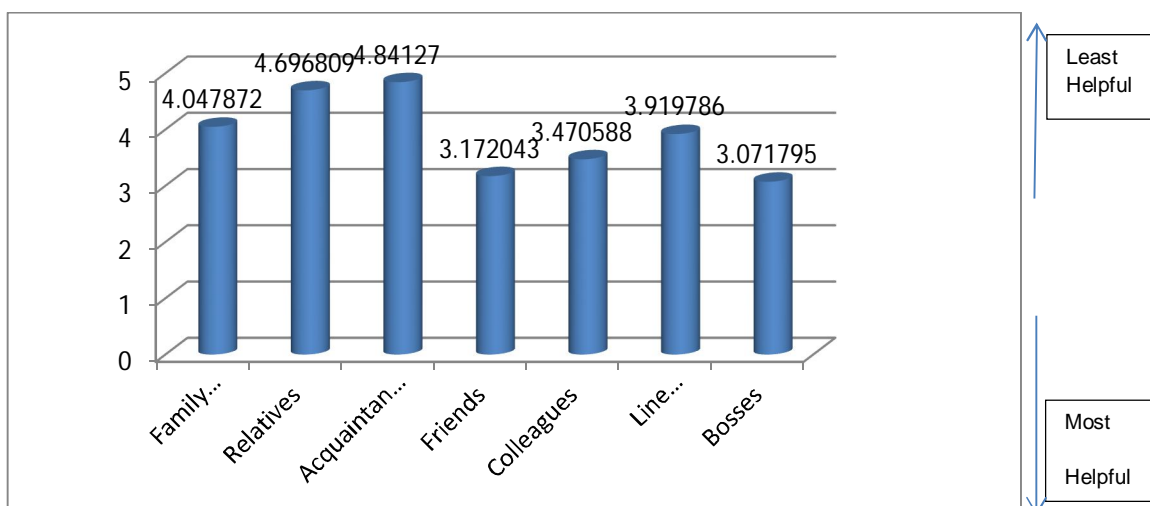


It is evident, from Figure 5.1.1.2.2, that colleagues and employers had actually helped rural migrant workers who had enough career progression available up to now in private companies most.

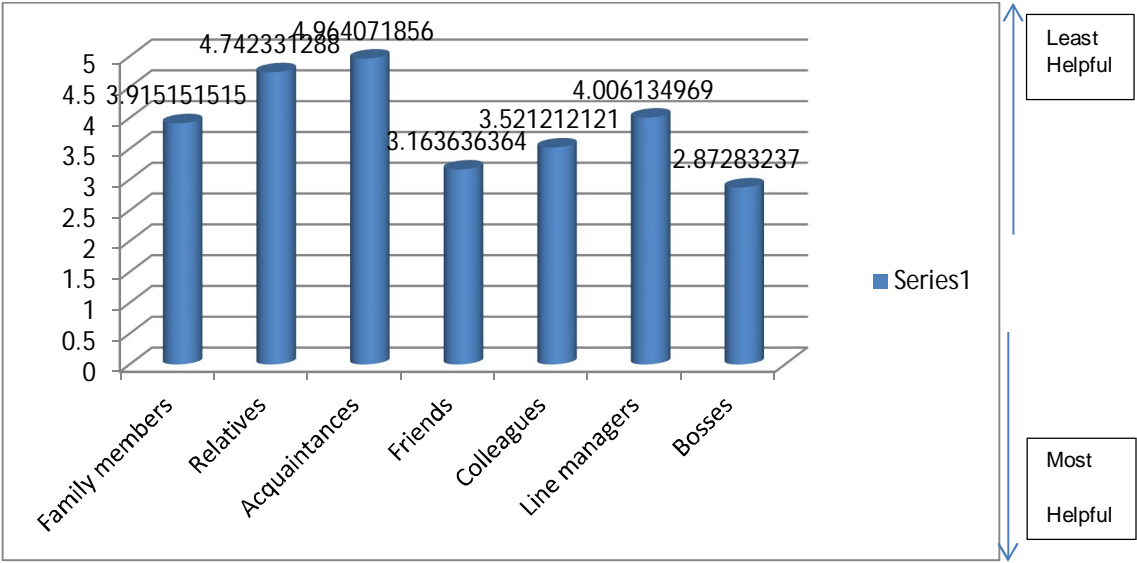
### 5.1.1.3 Who was likely to give people who had enough career progression available in private companies the most benefit in their career progression?

This was determined from the answers to question 6 (in section 4 of the questionnaire). See Appendix 1. The results indicated, Figure 5.1.1.3.1 and Figure 5.1.1.3.2, employers, friends and colleagues were likely to give them most benefit. Here, benefit encompassed coaching, guidance, help and encouragement.

**Figure 5.1.1.3.1** - The responses of employees who had enough career progression available in private companies



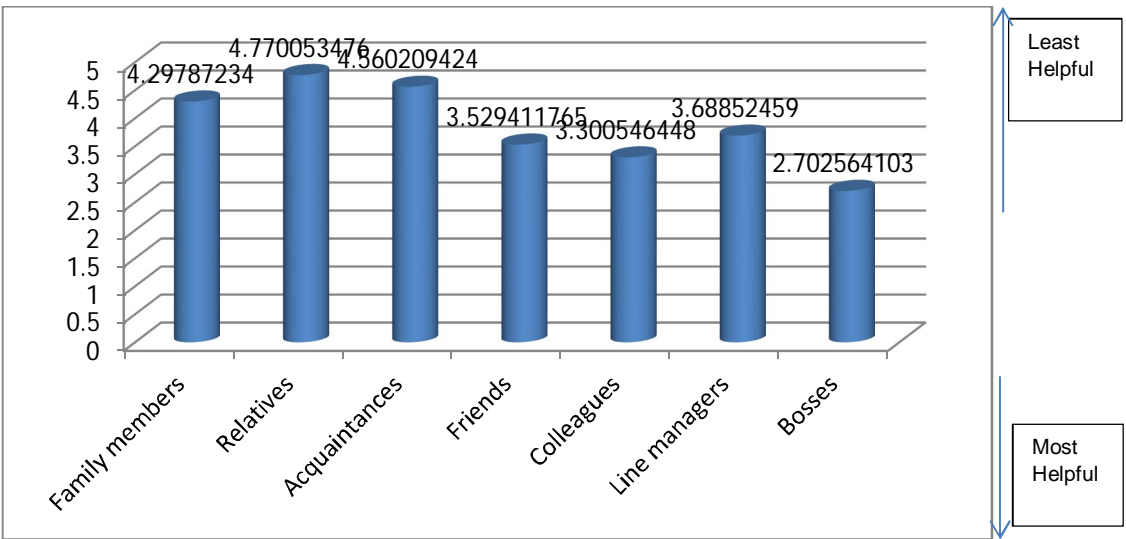
**Figure 5.1.1.3.2** - The responses of rural migrant workers who had enough career progression available in private companies



**5.1.1.4 Who do people who had enough career progression available in private companies hope will give them most assistance in their career progression?**

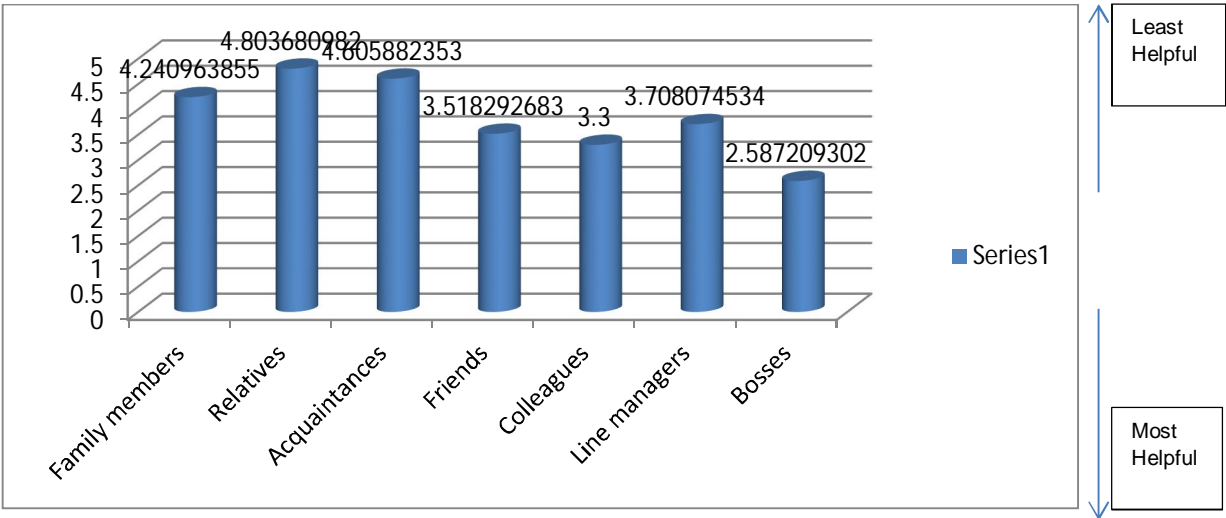
Question 7 (in section 4 of the questionnaire) asked. See Appendix 1.

**Figure 5.1.1.4.1** - The responses of employees who had enough career progression available in private companies



The responses showed that people who had enough career progression available in private companies hoped: employers, colleagues, friends and line managers would give them most career assistance in their career progression, Figure 5.1.1.4.1.

**Figure 5.1.1.4.2** - The responses of rural migrant workers who had enough career progression available in private companies



The responses showed that rural migrant workers who had enough career progression available in private companies hoped: employers, colleagues, friends and line managers would give them most career assistance in their career progression, Figure 5.1.1.4.2.

**5.1.1.5 The strength and direction of the linear relationship between the top few choices of people who had career progression available in private companies** (“the top few choices” – the responses received to question 5, 6 and 7 revealed more people chose employers, colleagues and friends. Employers, colleagues and friends have actually helped people who had career progression available in private companies and were likely to give them most benefit in their career progression. Further, people who had enough career progression available in private companies hoped employers, colleagues and friends would give them most assistance in their career progression.)

The correlation analysis attached as Appendix I - A1.



It demonstrated that people who hoped employers would give them most assistance in their career progression had a positive correlation with people who felt employers and colleagues were likely to give them most benefit in their future career progression; people whose employers have actually helped them most so far had a positive correlation with people whose colleagues have helped them most up to now. The responses implied that employers contributed to strength in cohesion among their staff; a close relationship between employers and employees created social capital which was evidenced by more cohesion within the companies.

## **Discussion**

As described in the data analysis above, employees/rural migrant workers who worked in private companies experienced more career progression than people who worked in the state owned enterprise. In terms of employees, rural migrant workers who had enough career progression available in private companies, friends and employers have actually helped them; employers, friends and colleagues were likely to give them most benefit up to now in private companies; they hoped employers, colleagues, friends and line managers would give them most assistance in their career progression. Moreover, employees who hope that their employers would give them most assistance in their career progression had a positive correlation with employees who considered employers and colleagues were likely to give them most benefit in their future career progression; employees whose employers had actually helped most up to now had a positive correlation with employees whose colleagues helped most up to now. Therefore, it was evident that employers could contribute to strength in cohesion among their staff; staff who experienced sufficient career progression relied on links with employers and colleagues to achieve career progression in the future in private companies. "Linking social capital pertains to connections with people in power, whether they are in politically or financially influential positions." (Woolcock and Sweetser 2002: 26). And "bridging social capital encompasses more distant ties of like persons, such as loose friendships and workmates." (Woolcock 2001: 13 – 14 *cited by* Field 2008). These employees had higher amounts of both compared with those who were disappointed with their career progression. It has been suggested that social capital with employers and colleagues could be developed.

When the researcher interviewed Mr A, who is the boss of an industry equipment limited company in city B in Shandong Province (private company A), he said: "in good companies, employers and their staff and colleagues can be friends; this can enhance staff's commitment; in China, if employers want to make friends with their staff, they should not enhance their status; we should also help those who have difficulties. Because the company has foreign trade, the company needs staff with foreign language skills; there is a deputy general manager who really does well in his job; in China employers often give red packets (cash wrapped up in red paper, this symbolises fortune and wealth in the coming year) to their employees as a year-end bonus. When I give staff red packets at Chinese New Year, I often give him an extra bonus to recognise his outstanding work; however, employees would not know the amount of money in each other's red packets. We also help excellent employees to buy a house and car." The researcher also asked Mr A whether he provided his employees with good welfare in order to retain good employees. He said: "it is not enough to only provide employees with good welfare to retain their talents, it is also necessary to convince employees. Employers need to care about employees and be on equal terms with them. Furthermore, the development of the company is also important for employees' commitment. If employees know their company's business is on the up-and-up, they will be more committed to the company." Mr A also said: "it is also very important to give a job suited to an individual's ability. There is a deputy general manager who works in the purchasing department in the company because he is loyal and responsible."

Good leaders recognise and reward success, which not only gives people a sense of accomplishment but also makes them feel like they belong to an organisation that cares about them. When all this is done, the work itself becomes intrinsically motivating.

Kotter's (1990 *cited by* Harvard Business Review 2010) analysis also interprets and explains Mr A's opinion. The most successful leaders are those who recognise and reward their team's efforts. This strengthens loyalty as well.

Moreover, motivation and inspiration energize people, not by pushing them in the right direction as control mechanisms do but by satisfying basic human needs for achievement, a sense of belonging, recognition, self-esteem, a feeling of control over

one's life, and the ability to live up to one's ideals. Such feelings touch us deeply and elicit a powerful response (Kotter 1990 *cited by* Harvard Business Review 2010).

A similar conclusion was reached when interviewing Mr B, who is the general manager of a Mining Equipment limited company in Zoucheng city in Shandong province (private company B), He said: "There is a home culture in the company. It is based on a shared vision, common values, a common system of rules and common behavioural habits. This is the home culture's specifications. The company advocates fortunes are like water and 'everyone has fortune' and the company lives up to this. We also guide our employees to create a solid emotional foundation with kinship and friendship and create a happy collective with love for the company. We pursue the long-term development, which incorporates the enterprise's value with the individual's value, and continue to inspire a sense of ownership and a sense of mission." It is based on a shared vision, common values, a common system of rules and common behavioural habits. This is the home culture's specifications. The company advocates that fortunes are like water and "everyone has fortune" and the company lives up to this.

In addition, in the interview with Mr C, who is the Deputy General Manager in a Machinery Co. Ltd (private company C), he said: "As far as the enhancement of employees' cohesion and commitment is concerned, it is important to care about employees' lives, carry out human-based management and understand employees' difficulties and state of mind and help solve their difficulties. This can help cultivate employees' love of their company. Employees are closely united. The co-operation of each person is insured for the whole. Thus, employees can have a strong sense of company loyalty and have high work efficiency in return for the company." When people love their jobs for the work itself, they often feel committed to the organisation that make that work possible (Goleman 1998).

In interviews with other private companies, such as one Software Technology Co. Ltd in Jinan city, Shandong Province, and a Mechanical and Electrical Co. Ltd in Zoucheng city, Shandong Province, the researcher also found the private company's characteristics of a flattened system. That is, a close relationship between employers and employees; the ability of making quick decisions and the capability to respond swiftly to market changes.

In summary, senior managers and employers in the sampled private companies have stated that it was important for employers to care about employees. This could make them feel like they belonged to an organisation that cared about them. The Home culture Mr B referred to regarding his company culture, incorporated the enterprise's value with individuals' value and inspired employees to have a sense of ownership and a sense of mission. Employees connected their career and welfare with the fate of the company. These could help instil strong feelings of loyalty in private companies' employees and build cohesion among them. As above, this is a kind of participative leadership in companies (Biech 2008). According to participative leadership, a good leader shares responsibility and glory, is supportive and fair, creates a climate of trust and openness, and is a good coach and teacher (Biech 2008).

Therefore, it became evident, from data analysis and the interviews above, that employers' close relationship with their employees (thereby linking social capital) and cohesion among their staff contributed to employees' hopes, their perceived career development and promoted the flourishing of private companies. Furthermore, employers played a decisive role in advancing cohesion among employees. The interviews have identified the results of the data analysis. It is evident that participative leadership style in this case study is suitable for companies' development rather than a paternalistic and command – based leadership style.

Granovetter (1985) argued that concrete personal relations and networks of relations, termed “embedded-ness”, were important to generating trust, establishing expectations, and enforcing norms (*cited by* Kay and Johnston, 2007). This argument was stated most effectively by Michael Woolcock (1998: 185 *cited by* Kay and Johnston, 2007): “Trust and norms of reciprocity, fairness and cooperation were ‘benefits’ that have been nurtured in and by particular combinations of social relationships; they were undeniably important for facilitating and reinforcing efficient institutional performance, but they did not exist independently of social relationships. Accordingly, trust and norms of reciprocity are based on particular combinations of social relationships. This signified the importance of personal relations and networks

of relations. In order to have good norms of reciprocity, the role of personal relations and networks of relations is considered important.

As can be shown in this study, a cohesion/dense network among employees promoted by employers in the private companies contributed to employees' hopes and their perceived career development. This has promoted the flourishing of private companies. These dense networks among employees promoted by employers deserved recommendation. Putnam et al. (1993, chapter 11 in this volume: 229 *cited by* Ostrom and Ahn 2013) also pointed out, dense networks of social exchange are a crucial condition for the rise of the norm of generalized reciprocity.

In this study, also, an important constructive network of relations is examined. That is, employers' close relationship with their employees (that is, linking social capital), which have also contributed to employees' hopes and their perceived career development. It was evident, from the data analysis and discussion in section 5.1.1, that people who worked in private companies perceived that they experienced more career progressions than people who worked in the state-owned enterprise (Agency thoughts); employees who experienced sufficient career progression relied on links with employers and colleagues to achieve their career progression in the future in the private companies (pathway thinking). The links with employers and colleagues were their pathways to promote their career progression. This pathway thinking (Snyder 2000) permitted them have agency thought (Snyder 2000), and their belief in their ability to realise their goals determined the likelihood they would develop a sense of hope (Snyder 1994). This kind of linking social capital (employers' close relationship with their employees) conformed to Lin's views (1982, 1989, 2001 *cited by* Kay and Johnston 2007) concerning "weak ties". Lin (1982, 1989, 2001) demonstrated that individuals acted instrumentally, employing their social ties (especially more extended or "weak ties") to gain occupational mobility (*cited by* Kay and Johnston 2007). Granovetter argued that weak ties are bridged between individuals in different structural positions, whilst strong ties could lead to the formation of cliques (Granovetter 1973: 1378 *cited by* Edwards *et al.* 2007). The strength of weak ties argument was originally formulated by Granovetter (1974 *cited by* Kay and Johnston 2007). It claimed that news was more quickly communicated

through strong ties, but strong ties rarely brought news that was truly new, because friends of friends tended to be friends (Granovetter 1974 *cited by* Kay and Johnston 2007). The “weak ties” approach exemplified the egocentric perspective on social networks and the resources to which they gave access. However, whether employees had good career progression depended on a good company system that could contribute to “weak ties” (Granovetter 1974 *cited by* Kay and Johnston 2007). That is, employees can gain occupational mobility with help from employers in the private companies in this case study.

Furthermore, as Sanderfur and Laumann (1998: 484) observed: “An individual’s social capital is characterised by his/her direct relationships with others and by the other people and relationships that he/she can reach through those to whom he/she is directly tied.” It can be seen from the social capital of people that an individual’s direct relationships were also important for the individual’s social capital. Further, the volume of social capital possessed by an individual depended on both the size of the network of connections he or she could mobilize and on the volume of capital (for example, economic or cultural capital) possessed by each person to whom he or she is connected. From what was discussed above, a close relationship might be observed between employees who experienced more career progression availability and his/her employers. Because employers and managers possessed a higher volume of capital and those employees who experienced more career progression are more closely connected to those in more senior positions, who possessed more social capital. In short, this less hierarchical / less rigid company system/institution in private companies contributed to the growth and development of social capital.

Another point that deserved to be promoted is the “home culture” in one of the private companies studied. “Home culture” is a kind of reciprocal norm, where employees have a shared vision and common values with the organisation. The company advocated fortunes were like water and “everyone had fortune” and the company lived up to this. If a company is possessed of a large fortune, every employee will have a good fortune. Employees are guided to create a solid emotional foundation with kinship and friendship and create a happy collective with love for the company. Thus, employees made joint efforts to contribute to the company. Accordingly, ‘home culture’ is a kind of reciprocal norm. Because

individuals know this kind of reciprocal norm to be good for them, they would abide by the norm, and, also, ensure others would abide by the norm.

Furthermore, an individual who abided by the norm of reciprocity is respected as being trustworthy. The information about others' trustworthiness is essential to a reciprocal individual's decision to co-operate or not. That the norm of reciprocity prevails in a society implies that a significant proportion of individuals in the society are trustworthy. Therefore, the norm of reciprocity is important and builds trust and co-operation within the companies. Furthermore, the norm of reciprocity also motivates employees to expend effort to achieve their goals, contributes to their agency thoughts and further develops their hopes (Snyder 2000). The researcher suggests the norm of reciprocity such as home culture should be encouraged in companies.

In addition, the economic and political performance of societies from villages to international communities crucially depends on how the members of a community solve the problem of collective-action (Ostrom and Ahn 2013). Collective-action problems arise whenever individuals face alternative courses of action between short-term self-regarding choices and others that, if followed by a large enough number of individuals in a group, benefits all. The problem is one of overcoming selfish incentives and achieving mutually beneficial co-operative ways of getting things done (Ostrom 1998 *cited by* Ostrom and Ahn 2013). A prescriptive norm within a collectivity that constitutes an especially important form of social capital is the norm that one should forgo self-interest and act in the interests of collectivity (Lesser 2000). The norm of reciprocity such as home culture in private companies is propitious to solve the collective action problems and further improve the economic and political performance of societies. Thus, the analysis of meso-level social capital that companies have is raised to the analysis of macro-level of social capital. Moreover, according to Burt (1992), a network was not only a device for receiving resources but also a device for creating resources which, in turn, could create new resources and opportunities. Portes (2000b, 2) observed that: "...social capital of any significance could seldom be acquired without the investment of some material resources and the possession of some cultural knowledge enabling the individual to establish relations with others." (Portes 2000b: 2 *cited by* Kay and Johnston 2007).

Thus material resources were useful to help maintain social capital/social relationships developed in private companies. Accordingly, national macro-economic policy should better encourage the development of companies that have this structure of relations, contributed to by a less hierarchical system, as well as employers' close relationship with their employees (thereby linking social capital) and cohesion among their staff and the norm of reciprocity.

### **Section 5.1.2 The perceived importance of company culture and systems on career progression from different types of companies and the importance of employees' cohesion on the hope and career progression of employees who did not perceive they experienced sufficient career progression**

This section advocates that employees who work in private companies think a company's culture and system can offer them more assistance in their career progression than those who work in the state owned enterprise. This implies that company culture and company systems are perceived as less helpful in the state-owned enterprise. The leadership styles in the state owned enterprise are different from leadership styles in private companies.

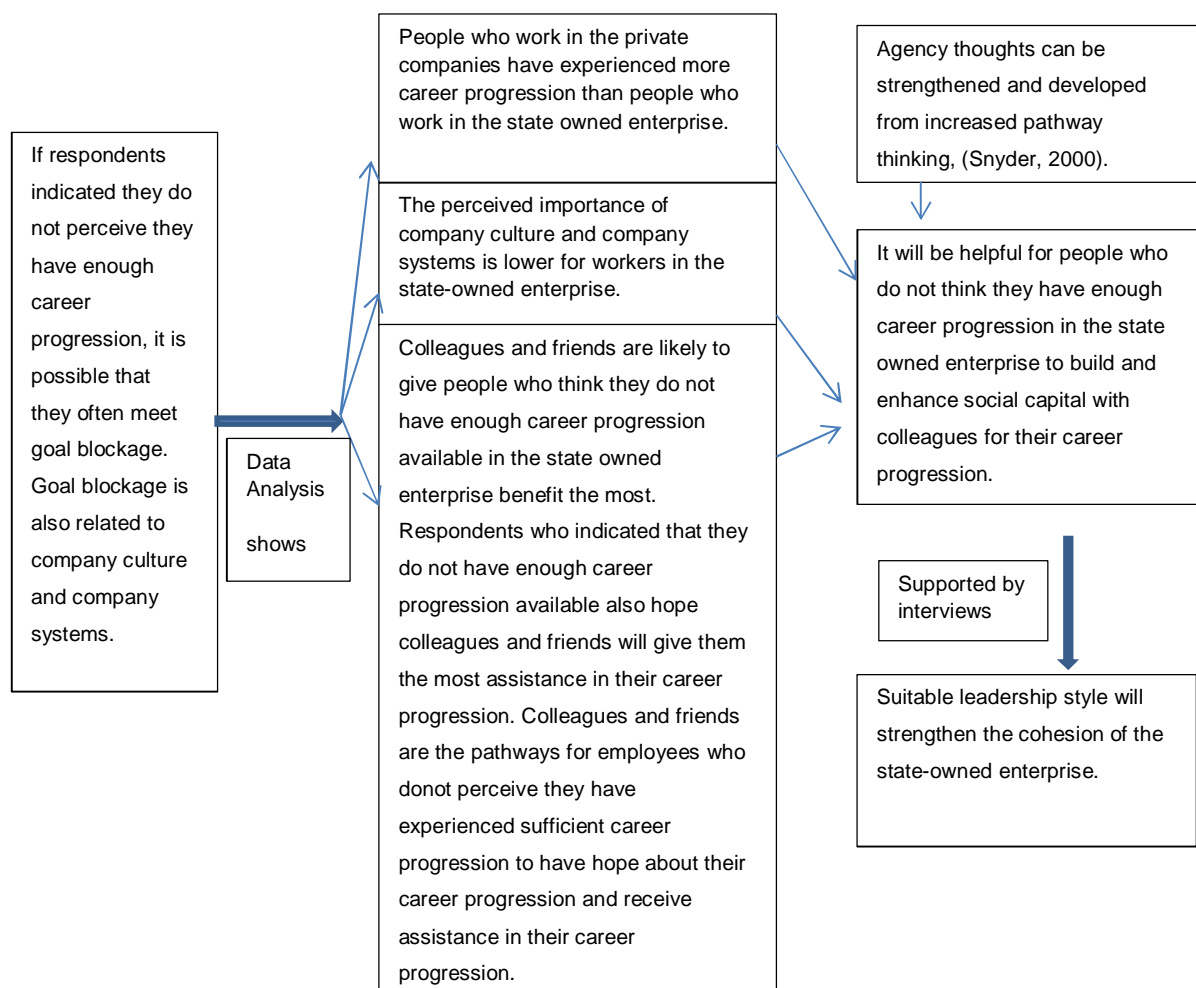
Furthermore, employees with no perceived career progression think colleagues and friends are likely to give them most benefit, and also hope colleagues and friends would give them most assistance in the state owned enterprise. According to Snyder's Hope Theory, agency thoughts (perceived career progression) could be strengthened and developed from increased pathway thinking (Snyder 2000). Colleagues and friends are the pathways for employees who did not perceive they experienced sufficient career progression to have hope and receive assistance in their career progression. Thus, in order to enhance cohesion among colleagues, this section, also, puts forward the contribution of a close relationship between employers and employees on the latter's cohesive force. Collective ideology was seen, also, to be positively associated with social capital (Coleman 1990). Moreover, it is considered important to develop a caring working environment to promote cohesive strength among employees. See Figure 5.1.2.



### The results arrived at three main conclusions:

1. The company culture and company systems are perceived to be less helpful in the state-owned enterprise.
2. Employees' cohesion contributed to the hope and career progression of employees who did not perceive they experienced sufficient career progression
3. A caring working environment and close relationship between employers and employees promoted the latter's cohesive force and contributed to a good company culture and further increase social capital in companies.

**Figure 5.1.2 – A mind-map - summarising the perceived importance of company culture and systems on career progression from different types of companies and the importance of employees' cohesion on the hopes and career progression of employees who did not perceive they experienced sufficient career progression**



## **Data Analysis**

### **5.1.2.1 The perception of the link between company culture and career progression between employees in private companies and the state owned enterprise**

See question 10 (in section 4 of the questionnaire)-“Do you think company culture can give you assistance in your career progression?” Please select any number where 0 means you think it is unimportant to 5 means you think it is extremely important. (Company culture- companies’ ideology including shared values, moral norms and standards of behaviour)

The Mann-Whitney Test shows the difference was statistically significant at 5% or 1% in the median company culture scores of people who worked in the state-owned enterprise and people who work in private companies. The mean rank of the state owned enterprise was 193.96. The mean rank of private companies was 271.59. For significant levels see Appendix I Figure A2. Therefore, employees who worked in private companies considered that company culture could give them more assistance in their career progression.

### **5.1.2.2 The perception of the link between the company’s system and career progression between employees in private companies and the state owned enterprise**

See question 11 (in section 4 of the questionnaire)-“Do you think company systems can give you assistance in your career progression?” Please select any number where 0 means you think it is unimportant to 5 means you think it is extremely important. (Company’s system: some important rules, regulations and operative norms)

The Mann-Whitney Test revealed the difference was statistically significant at 5% or 1% in the median company system scores of people who worked in the state-owned enterprise and people who worked in private companies. The mean rank of the state owned enterprise was 181.92. The mean rank in private companies was 270.23. The significance level is presented in Appendix I Figure A3. Therefore, people who

worked in private companies thought company systems could offer them more assistance in their career progression.

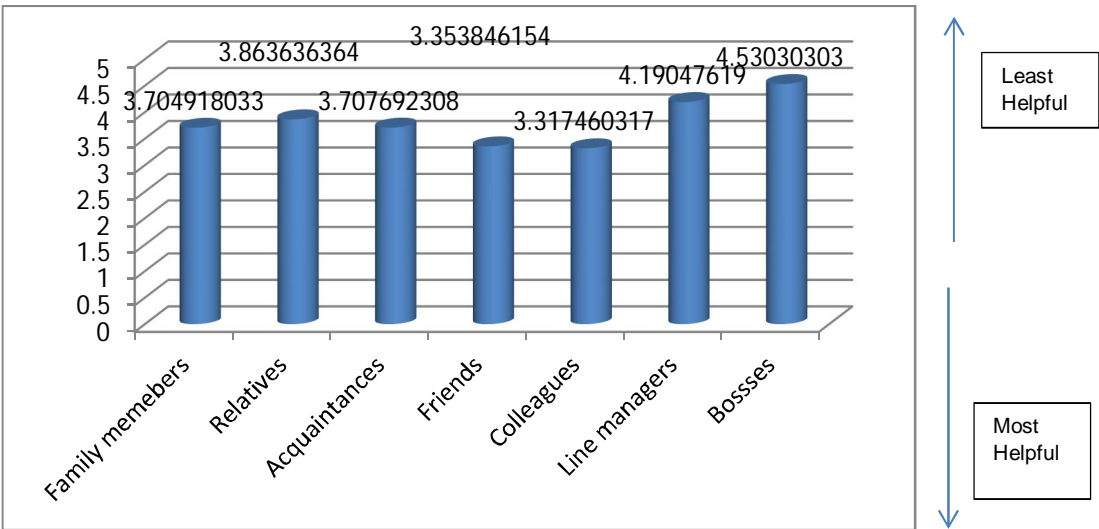
This implies that the company culture and company systems are perceived as less helpful in the state owned enterprise.

**5.1.2.3 For those who felt they did not have enough career progression within the state owned enterprise, which group did they hope would aid them and who was likely to give them most assistance in their career progression?**

The analysis of Questions 6 and Question 7 as follows helps provide the answer to the question. It is helpful to strengthen social capital with people who are likely to give them the most benefit to strengthen and develop their agency thoughts (Snyder 2000).

Question 6 (in section 4 of the questionnaire): people were asked - Please put the following groups in order. For the contribution to your future career progression, which of the following groups would be likely to give you most benefit, starting with 1 for most helpful to 7 for least helpful? The results are illustrated below:

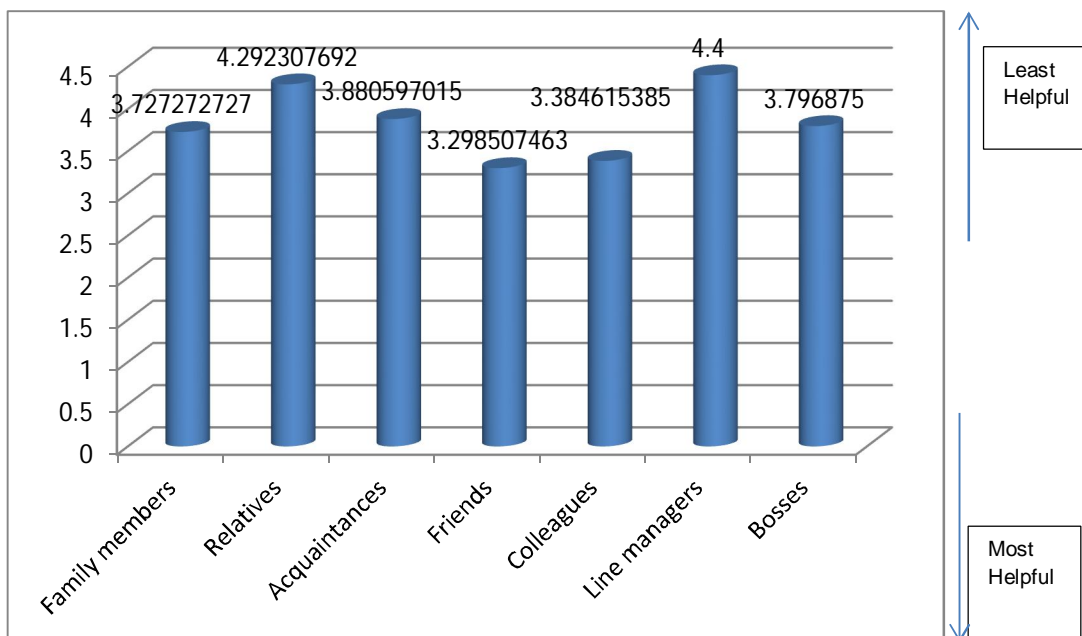
**Figure 5.1.2.3.1** - The responses of people who do not think they had enough career progression available in the state owned enterprise



It is evident, Figure 5.1.2.3.1, people who believed they did not have enough career progression in the state owned enterprise held the belief that only colleagues and friends were likely to give them most help and benefit.

Question 7 (in section 4 of the questionnaire): participants were asked - Please put the following groups in order. “Which of the following groups do you hope will give you most assistance in your career progression, starting with 1 for most helpful to 7 for least helpful?” The results are as follows:

**Figure 5.1.2.3.2** - The responses of people who felt they had not enough career progression available in the state owned enterprise



It is evident from Figure 5.1.2.3.2, that people who did not believe they experienced sufficient perceived career progression in the state owned enterprise also hoped colleagues and friends would give them most assistance in their career progression.

By integrating the analysis of question 6 with the analysis of question 7, it can be seen that people with no perceived career progression considered colleagues and friends were likely to give them most benefit, and also hoped colleagues and friends would give them most assistance in the state owned enterprise.

It would be helpful for people who did not think they experienced sufficient career progression in the state owned enterprise to build and enhance social capital with colleagues.

## **Discussion**

Psychological health is related to people's routine anticipation of their future well-being. Those with lower levels of hope anticipate less positive levels of psychological health than persons with higher hope. Positive expectations will yield higher confidence (Snyder, Feldman, *et al.*, 2000, *cited by* Snyder *et al.* 2002). Low hope individuals tended to generate fewer life goals (Snyder 1994a *cited by* Snyder 2000). Even after personal meaningful goals have been identified, the low-hope individuals' weak agency or pathway thinking hindered their goal attainment and could lead to goal blockages. Researchers have tied such goal obstruction to a diminished sense of well-being (Omodei and Wearing 1990; Ruehlman and Wolchik 1988, *cited by* Snyder 2000).

As shown previously, people who worked in private companies experienced more career progression than people who worked in the state owned company; therefore, if respondents indicated that they did not have enough career progression available, it was possible that they often met goal frustration. Goal blockage was deemed also related to company culture and company systems.

The analysis in 5.1.2 illustrated that people who worked in private companies thought that company culture and company systems could give them more assistance in their career progression than those who worked in the state owned enterprise. This implied that the company culture and company systems were perceived less helpful in the state-owned enterprise.

Agency thoughts can be strengthened and developed from increased pathway thinking (Snyder 2000). People with low hopes tended to ruminate unproductively about being stuck (Michael, 2000; Snyder, 1999a, 199b *cited by* Snyder, *et al.* 2002). Furthermore, people with low hopes tended to be lonely and lack friends with whom they could talk to. This appeared to stem from their fear of interpersonal closeness (Crothers and Schraw 1999 *cited by* Snyder, *et al.* 2002). In terms of people who

considered they did not have enough career progression available, it would be helpful to strengthen social capital with people who were likely to give them most benefit. The researcher believes that this can help strengthen their agency thoughts and hopes for the future.

The analysis in Chapter 5.1.2 also illustrated that colleagues were likely to give people who believed they did not have enough career progression available most benefit in the state owned enterprise. Respondents who thought they did not have enough career progression available in the state owned enterprise also hoped colleagues would give them most assistance in their career progression. Accordingly, it would be helpful for people who did not think they had enough career progression available in the state owned enterprise to build and enhance social capital with colleagues for their career progression. Further, the 'cognitive' social capital is measured via a composite index of trust, reciprocity and mutual help. It is the 'cognitive' social capital is most closely associated with psychological health and subjective well-being (Yip *et al.* 2007 *cited by* Cook *et al.* 2015).

In order to bring some cohesion and unity into a company, employers and managers played an important role in the construction of cohesive forces in companies. This was analysed in section 5.1.1. The closer employers' relationships with their employees could contribute to employees' hopes and their perceived career advancement. Enterprise leaders and employees were loyal to each other and trusted each other. They should work with their employees and give them support and care about their lives. This could contribute to a cohesive force in a company. Sparrow's (2012) suggestions also demonstrated that trust was a major contributor to levels of emotional commitment, and this came from building relationships with others. CEOs and senior leaders who were good at spending time talking with colleagues at all levels were critical.

Based on the interviews, the researcher understood that leadership styles in the state owned enterprise were different from leadership styles in private companies. The styles of leadership in the state-owned enterprise have been analysed in sections 5.2 and 5.3. As with the analysis to question 10 and question 11 in section 4 of the questionnaire, people who worked in private companies thought company

systems could give them more assistance in their career progression. The perceived importance of company culture and company systems was lower for the workers in the state-owned enterprise.

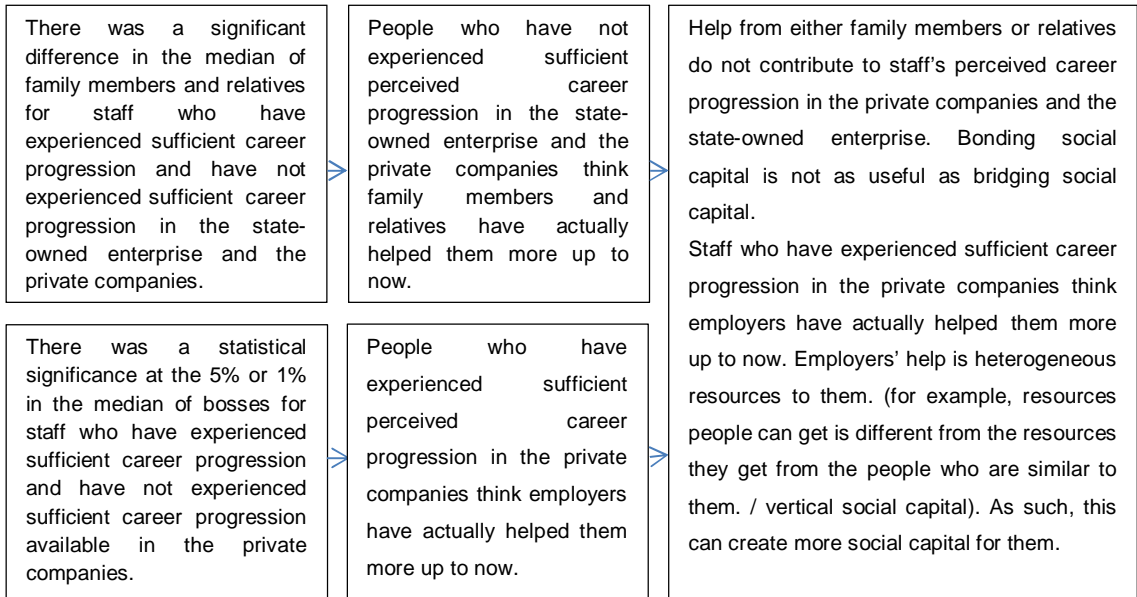
The top characteristics of the desired culture were: to create an opportunity for self-fulfilment, develop a caring environment, and maintain trusting relations with colleagues (Heifetz and Laurie 1997). Further, Coleman (1990: 315-318 cited by Lijun Song, 2009) argues that social capital was not the private property of individual beneficiaries but a property of social structure. Coleman discussed five macro-level structural preconditions that determined the quantity of social capital (1990: 318-321): network closure, stability of social structure, collective ideology, affluence, and government support. Network closure, stability of social structure and collective ideology were positively associated with social capital, while extreme closure could damage social capital. Affluence and government support decreased social capital, by increasing interpersonal independence and decreasing the maintenance of social relationships (Coleman 1990 *cited by* Lijun Song 2009). As far as this point of view is concerned, the interview with the Deputy General Manager in company B (private company) gave the researcher answers, as follows: He said, "We exercise a responsibility system and request that senior management personnel responsible for the work at the work unit have concern for employees' everyday life. We are concerned about the welfare of our staff and care for the state of their thoughts and their safety. We help our employees solve their difficulties with genuine care and we give advice, improve the quality of the labour force when necessary, concentrate strengths and twist our employees into a rope (assist them to make joint efforts). Only in this way can we arrange for employees to finish a manufacturing plan and improve organisational management modes to achieve the required quality, delivery date and cost control objectives." This could also contribute to a good company culture and collective ideology and further increase social capital in companies when developing a caring environment was one of the top characteristics of the desired culture (Heifetz and Laurie 1997). And collective ideology has been positively associated with social capital (Coleman 1990, *cited by* Lijun Song 2009).

**Section 5.1.3      Groups that provided support and assistance and who influenced career progression within enterprises**

**The results of this section arrived at two main conclusions:**

1. Employers' help could be defined as heterogeneous resources to employees and could create more social capital for them in private companies.
2. Family members' and relatives' help did not contribute to staff's perceived career progression in private companies or the state-owned enterprise and the results of the analysis were consistent with social capital theory's hypothesis about strong ties. (For details see Figure 5.1.3)

**Figure 5.1.3 – A mind-map - summarising groups that provided support and assistance and who influenced career progression in enterprises**



**Data analysis**



The researcher considered question 5 together with question 28. Some conclusions have been drawn as follows:

5. Please put the following groups in order. Which group has actually helped you most so far in your career progression, starting with 1 for most helpful to 7 for least helpful?

- |                    |                          |
|--------------------|--------------------------|
| i. Family members  | <input type="checkbox"/> |
| ii. Relatives      | <input type="checkbox"/> |
| iii. Acquaintances | <input type="checkbox"/> |
| iv. Friends        | <input type="checkbox"/> |
| v. Colleagues      | <input type="checkbox"/> |
| vi. Line managers  | <input type="checkbox"/> |
| vii. Bosses        | <input type="checkbox"/> |

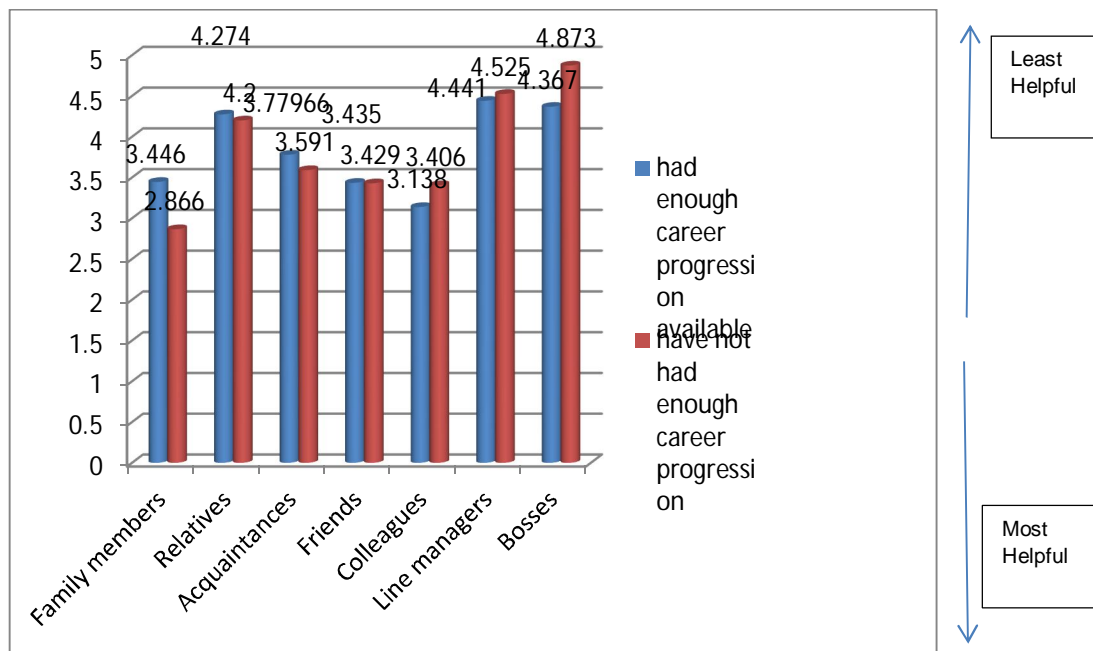
28. Do you think you have enough career progression available?

- i. Yes      ii. No

**5.1.3.1      Comparison of employees in the SOE who had career progression with those who had not, and the respective groups contributing and enabling such progression.**

State-owned enterprise:

**Figure 5.1.3.1** - The responses of people who have experienced sufficient career progression and those who have not experienced sufficient career progression in the state-owned enterprise from question 5

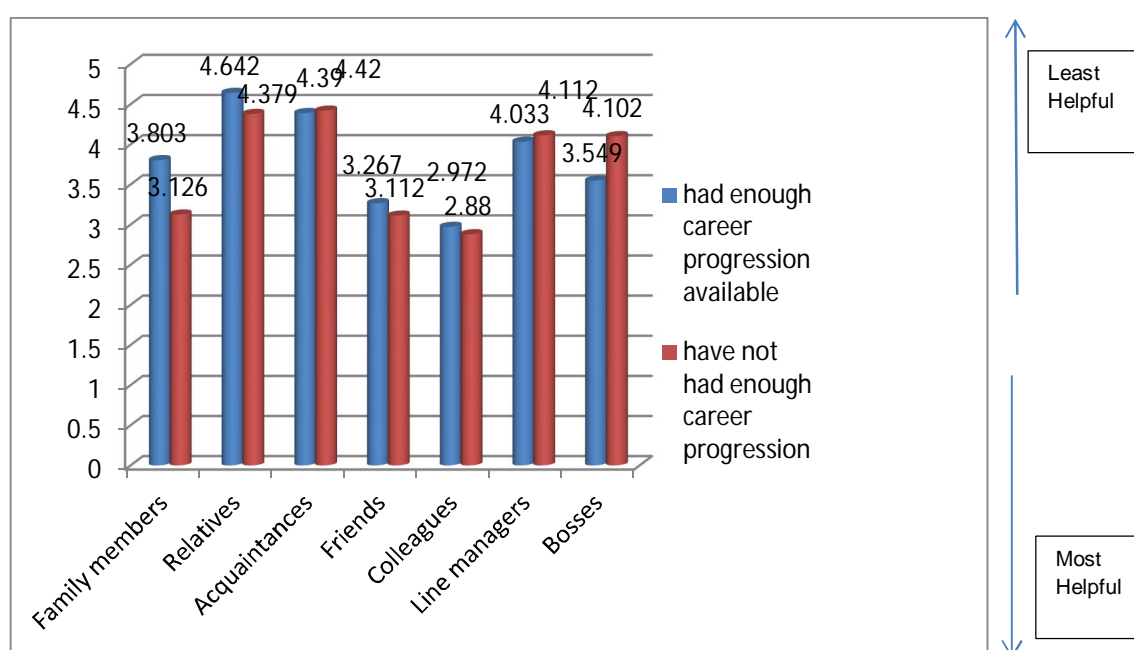


There was a significant difference in the median family members for staff who have experienced sufficient career progression compared with those who have not experienced sufficient career progression in the state-owned enterprise. In terms of people who have experienced sufficient career progression, the mean rank of family members was 71.10. In terms of people who have not experienced sufficient career progression, the mean rank of family members was 57.64. For significance levels see Appendix I Figure A4. Therefore, compared with people who have experienced sufficient career progression in the state-owned enterprise, those who have not experienced sufficient career progression in the state-owned enterprise thought family members have actually helped them more up to now. From this, those who were not satisfied with their career progression tended to rely most on family members. Those who were satisfied with their career relied more on colleagues. Bridging social capital was slightly stronger for this. Both groups were not particular reliant on their employers, but those dissatisfied with career progression were less happy with the role of their employers than those who were satisfied. This suggested vertical social capital was also stronger for those with more career progression in the SOE.

### 5.1.3.2 A comparison of employees in private companies who have experienced sufficient career progression with those who have not, including the respective groups which contributed and enabled such progression.

Private companies:

**Figure 5.1.3.2** - The responses of people who have experienced sufficient career progression available and those who have not experienced sufficient career progression available in private companies from question 5



There was a statistically significance of 5% or 1% in the median family members for staff who have experienced career progression available and those have not experienced sufficient career progression available in private companies. Significance level is presented in Appendix I Figure A5. Therefore, compared with staff who have experienced sufficient career progression in private companies, those who have not experienced sufficient career progression in private companies thought family members had actually helped them more up to now.

There was a statistical significance of 5% or 1% in the median relating to relatives for staff who experienced sufficient career progression available and have not

experienced sufficient career progression in private companies. For Significance level see Appendix I Figure A 6. Therefore, compared with staff who experienced sufficient career progression in private companies, those who had not enough career progression in private companies considered that relatives had actually helped them more up to now.

There was a statistical significance of 5% or 1% in the median concerning bosses for those staff who experienced sufficient career progression, but and had not enough career progression available in private companies. For the significance level see Appendix I Figure A 7. Therefore, compared with staff who had not enough career progression in private companies, those who experienced sufficient career progression in private companies believed that employers had actually helped them more up to now.

Again for private companies, those dissatisfied tended to be more reliant on family members than those who were satisfied with their progression. They were also less appreciative of help from their employers. In terms of social capital, the dissatisfied had weaker vertical social capital and stronger bonding social capital. Bridging social capital (reliance on colleagues) seemed to be similar for both groups and could be viewed as most important for both.

## **Discussion**

In summarising the scores from the studies that were analysed in the data analysis in section 5.1.3 for both the state-owned enterprise and private companies it can be seen that, from this sample, vertical social capital/weak ties (Granovetter, 1973: 1378 *cited by* Edwards *et al.* 2007) such as contact with employers could contribute to, and create, social capital which helped employees' progress. In contrast, strong ties (Granovetter, 1974 *cited by* Kay and Johnston 2007), such as frequent contact with family members and relatives for their career improvement, actually, had not created enough social capital to contribute to their career progression. .

This is consistent with Granovetter's (1973) work about weak ties. weak ties and increased closeness to the social bridge in social networks created more social

capital “weak ties” offered connections to people who were more likely to move in different social circles and, therefore, provided opportunities to learn about job opportunities outside the knowledge of one’s immediate social circle; the “weak tie” approach illustrated an instrumental perspective on social networks and the resources accessible through these networks (Granovetter 1973 *cited by* Kay and Johnston 2007). Staff who experienced sufficient career progression in private companies thought employers had actually helped them more up to now. Employers’ help might be defined as heterogeneous resources, and could create more social capital for them.

One hypothesis about the causal links between social capital with its sources and returns that is proposed by social capital theory is that the strength-of-strong-tie is positively associated with accessed social capital for expressive actions, and the strength of strong ties/bonding social capital is negatively associated with accessed social capital for instrumental actions (Lin 2001a). Instrumental actions are intended to obtain resources and are primarily associated with heterophilous interactions that are interactions among individuals from different collectivities. Expressive actions are aimed at maintaining resources and are primarily related to homophilous ties (Lin 2001b). From the data analysis above, family members’ and relatives’ help did not contribute to staff’s perceived career progression in private companies nor the state-owned enterprise and the results of the analysis were consistent with social capital theory’s hypothesis about strong ties.

## **5.2 The role and relevance of relationship networks in organisations with respect to registration within the hukou system**

### **5.2 (1) - Strong networks of informal relationships can only be positively associated with leadership activities in companies when there is flexible employment and opportunities for promotion to all talents.**

This section proposes to assess the relationship network in private companies and the state owned enterprise and finds that acquaintances have actually helped staff in the state-owned enterprise more, up to now, than other groups of staff in private companies. Kotter (1990 *cited by* Harvard Business Review, 2010) claimed that

strong networks of informal relationships (that is, acquaintances) – of the kind found in companies with healthy cultures - helped coordinate leadership activities in much the same way that formal structures coordinated managerial activities. Leadership is a dynamic process. The leader-follower relationship is reciprocal and effective leadership is a two-way process which influences both individual and organisational performance (Mullins 2007). However, in this sample, although there were more enriched acquaintances resources from the SOE, people who worked in the SOE were less likely to receive help from employers than those who worked in private companies. In this sample, the researcher analysed the factors that hindered effective leadership in the SOE. It revealed that the organisational pattern and management mode were hindering factors. Leaders in the SOE stuck to one pattern for use of talent. See figure 5.2 (1).

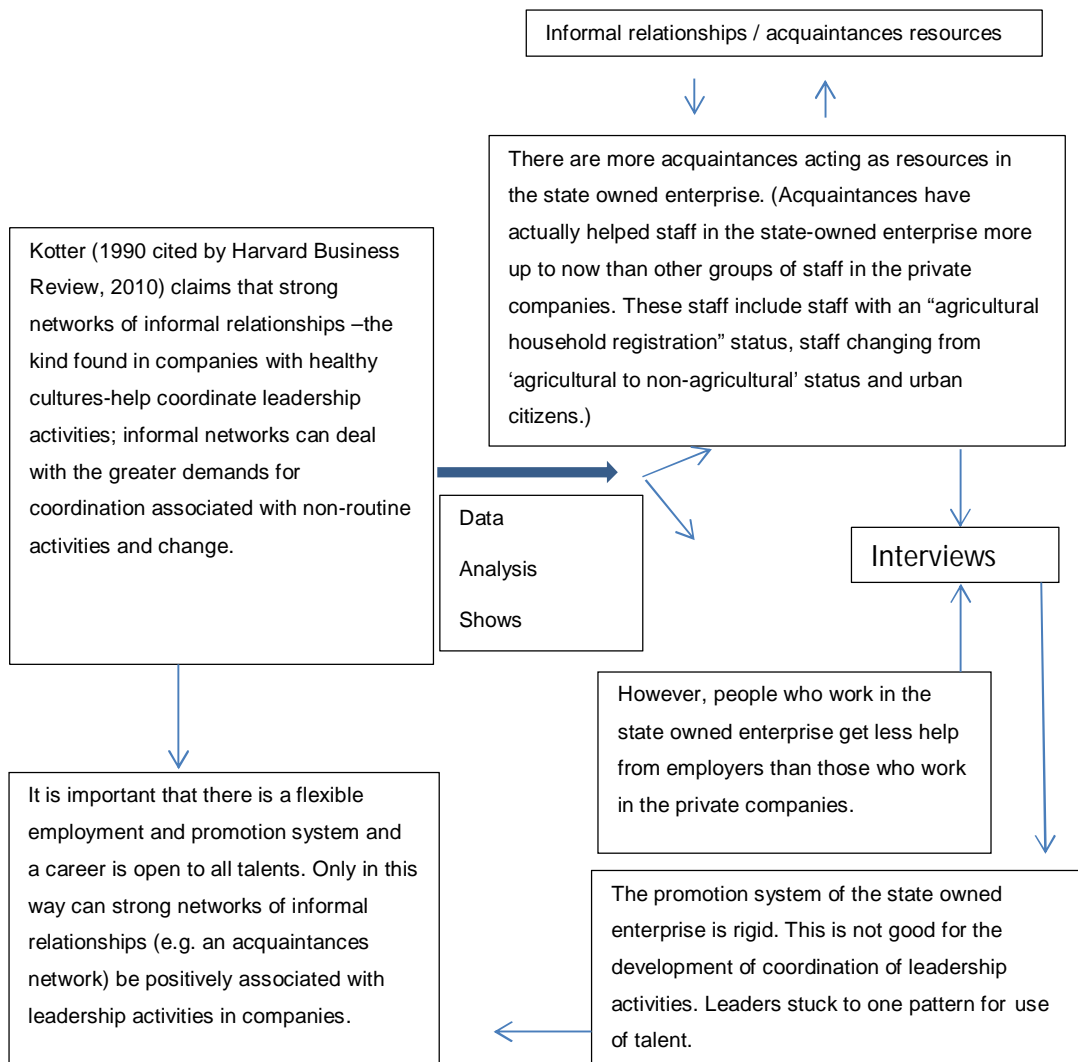
## **5.2 (2) Relationship network of staff changing from "agricultural to non-agricultural" status**

Furthermore, there is one finding which emerged from data analysis and interviews and was a negative consequence concerning private companies. Staff changing from “agricultural” status to “non-agricultural” status were likely to receive more benefits from line managers in the SOE than in private companies. For a relationship network of staff changing from "agricultural to non-agricultural" status, including ways to promote social inclusion between line managers and employees in private companies, see Figure 5.2.2.

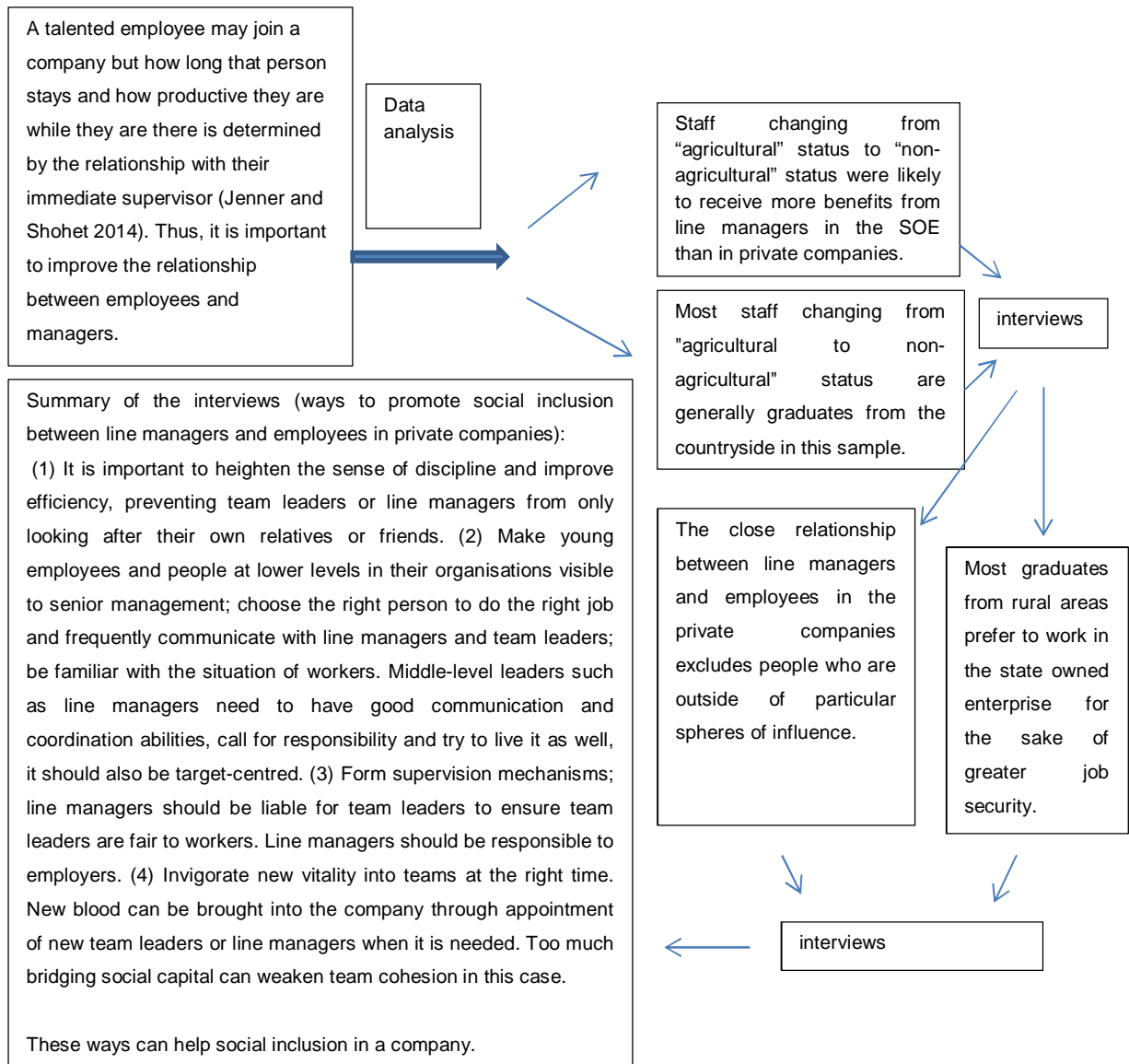
In summary, the results arrived at three main conclusions in section 5.2:

1. Only where there was a flexible employment and promotion system and a career pathway that was open to all talents, strong networks of informal relationships such as acquaintances could be positively associated with effective leadership in corporations.
2. Most graduates from rural areas preferred to work in the state owned enterprise for the sake of greater job security.
3. An associated system could help cultivate employees' greater spontaneity and prevent the formation of cliques in companies.

**Figure 5.2 (1)** – A mind-map - summarising a strong network of informal relationships in the state owned enterprise



**Figure 5.2 (2)** – A mind-map - summarising relationship network of staff changing from "agricultural to non-agricultural" status and ways to promote social inclusion between line managers and employees in private companies



## Data Analysis:

The researcher respectively analysed different responses from the questionnaire from staff with different household registration status in private companies and the state owned enterprise.

### 5.2.1 What kind of social resources do employees from different household registration have more of?

The researcher considered question 5 (Please put the following groups in order. Which group has actually helped you most so far in their career progression in section 4 of the questionnaire, see appendix 1)-together with type of household registration/hukou- (question 5 in section 1 of the questionnaire, see appendix 1)



Private companies:

Pn represents staff changing from "agricultural to non-agricultural" status in private companies

Pa represents staff with "agricultural household registration" status in private companies

Pu represents urban citizen in private companies

State owned company:

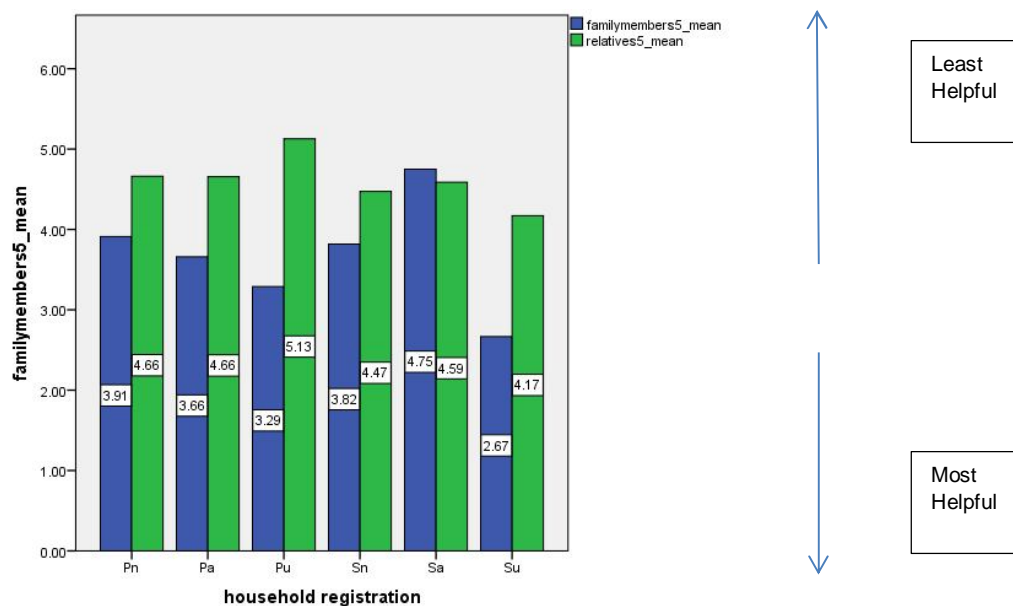
Sn represents staff changing from "agricultural to non-agricultural" status in the state owned enterprise

Sa represents staff with "agricultural household registration" status in the state owned enterprise

Su represents urban citizen in the state owned enterprise

Question 5 (in section 4 of the questionnaire, see Appendix 1) asked - Which group has actually helped you most so far in your career progression? The results are as follows:

**Figure 5.2.1.1** - The mean scores of variable "family members" of people with different household registration status in private companies and the state owned enterprise



**Figure 5.2.1.2** - The mean scores of variable "family members" of people with different household registration status in private companies and the state owned enterprise from question 5:

**Report**

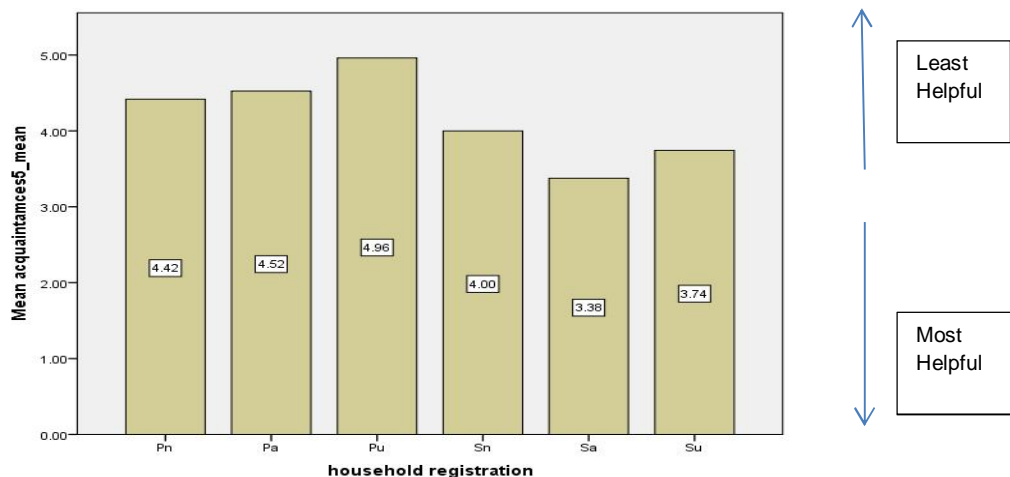
Mean

household registration	familymembers5_mean
Pn	3.9114
Pa	3.6587
Pu	3.2892
Sn	3.8182
Sa	4.7500
Su	2.6667
Total	3.5006

It is evident, from Figures 5.2.1.1 and 5.2.1.2, that family members and relatives have actually helped urban citizens in the state owned enterprise most up to now, and family members helped staff with “agricultural household registration” status least.

The Kruskal-Wallis Test also revealed that there was a significant difference in the median of family members for people with different household registration status. For significance levels see Appendix I Figure A 8.

**Figure 5.2.1.3** - The mean scores of variable “acquaintances” of people with different household registration status in private companies and the state owned enterprise from question 5-(Which group has actually helped you most so far in your career progression?):



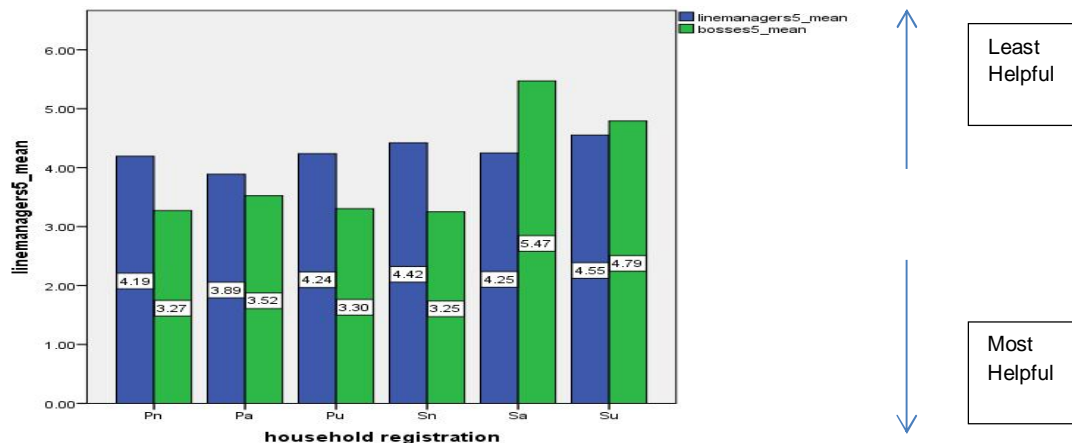
**Figure 5.2.1.4** - The mean scores of variable “acquaintances” of people with different household registration status in private companies and the state owned enterprise from question 5-(Which group has actually helped you most so far in your career progression?):

household registration	acquaintamces5_mean
Pn	4.4177
Pa	4.5238
Pu	4.9610
Sn	4.0000
Sa	3.3750
Su	3.7436
Total	4.3621

As shown in Figures 5.2.1.3 and 5.2.1.4, compared with private companies, there were more acquaintances acting as resources with respect to the career progression in the state owned enterprise. Acquaintances have actually helped staff with “agricultural household registration” status, staff changing from “agricultural to non-agricultural” status and urban citizens in the state owned enterprise more up to now in career progression than acquaintances in private companies.

The Kruskal-Wallis Test also demonstrated that there was a significant difference in the median of acquaintances for people with different household registration status. For significance levels see Appendix I Figure A 9.

**Figure 5.2.1.5** - The mean scores of variable “line managers” and “bosses” of people with different household registration status in private companies and the state owned enterprise from question 5-(Which group has actually helped you most so far in your career progression?):



From this, It is evident, Figure 5.2.1.5, that people who worked in private companies received more help from employers compared with those who worked in the state owned enterprise (The process of assimilation; the contribution of social capital). Especially, compared to other groups of people in this sample, staff with “agricultural household registration” status in the state-owned enterprise received least help from employers. However, staff changing from "agricultural to non-agricultural" status in

the state owned enterprise perceived that they have obtained help from their employers to a greater extent than agricultural hukou workers. Their vertical social capital relationship with employers was stronger, stronger even than traditional urban hukou dwellers in the state enterprise.

The Kruskal-Wallis Test also showed that there was a significant difference in the median of bosses for people with different household registration status. For the significant level see Appendix I Figure A 10.

**Figure 5.2.1.6 - Mann-Whitney Test for differences between two company types in terms of variables-acquaintances, relatives and bosses in question 5- (Which group has actually helped you most so far in your career progression?)**

<b>Ranks</b>				
	5	Mean Rank of Acquaintances	Mean Rank of Relatives	Mean Rank of Bosses
ii state-owned company		183.94	205.40	281.09
iii private company		259.48	242.29	216.52
Asymp. Sig. (2-tailed)		.000	.005	.000

This difference was statistically significant at 5% or 1% in the median of acquaintances scores, the median of relatives scores and the median of bosses scores for the people who worked in the state owned enterprise and people who work in private companies. The mean rank indicated which group could be considered as more helpful to them in their career progression in different organisations, namely, the group with the lowest mean rank. These significance levels are shown in Appendix I Figure A11, Figure A12 and Figure A13 respectively. Therefore, people who worked in the state owned enterprise obtained more help from acquaintances than those who worked in private companies. People who worked in the state owned enterprise received more help from relatives than those who worked in private companies. People who worked in the state owned enterprise obtained help from employers less than those who worked in private companies.

## 5.2.2 Which kind of social resources are likely to contribute most to different household registration groups with respect to their future career progression?

The researcher considered question 6 in section 4 of the questionnaire (Which group would be likely to give you most benefit regarding contribution to your future career progression?) together with the type of household registration/hukou (question 5 in section 1 of the questionnaire). See Appendix 1.

The results are as follows:

**Figure 5.2.2.1** - Mann-Whitney Test for differences between two company types in terms of variables-employers and acquaintances

	6	Mean Rank of Bosses	Mean Rank of Acquaintances
ii state-owned company		267.36	190.83
iii private company		216.66	247.73
Asymp. Sig. (2-tailed)		.000	.000

This difference was statistically significant at 5% or 1%, the median bosses scores and the median of acquaintances scores for people who worked in the state owned enterprise and people who worked in private companies. The mean rank indicated which group could be considered as more likely to give them most benefit for the contribution to their future career progression in different organisations. Namely, the group with the lowest mean rank. For significance levels see Appendix Figure A14 and Figure A15 respectively. Therefore, employers were perceived as being crucial in the private sector, but less important in the SOE. This also indicated that there was a closer relationship between employers and staff in the private companies. Furthermore, through interviews, the researcher also understood a fixed and structured promotion system was in place and an estranged relationship between employers and employees in the state-owned enterprise. Moreover, people who worked in the state owned enterprise were likely to receive help from acquaintances more than those who worked in private companies.

**Figure 5.2.2.2** - Kruskal-Wallis Test for differences among household registration groups in terms of variable-line managers from question 6 - (Which group is likely to give you most benefit for the contribution to your future career progression?)

	household registration	Mean Rank
Vi line managers	Pn	261.52
	Pa	224.46
	Pu	228.78
	Sn	162.95
	Sa	215.27
	Su	249.69
	Asymp. Sig.	.005

As the significance level was 0.005, the null hypothesis that all six groups had the same help from line managers can be rejected. It can be seen that staff changing from an "agricultural to non-agricultural" status were likely to receive more benefits from line managers in the SOE than in private companies. For the significance level see Appendix 1 Figure A16. Again for workers changing from agricultural to urban status there was a stronger trust in the role of line managers in the SOE.

### 5.2.3 What kind of social resources do different household registration groups hope they will receive to help them in their career progression?

The researcher considered question 7 – (Please put the following groups in order. Which of the following groups do you hope will give you most assistance in your career progression? Starting with 1 for most helpful to 7 for least helpful?) together with the type of household registration/hukou-(question 5 in section 1 of the questionnaire)

Question 7 (in section 4 of the questionnaire) asked - Which group do you hope will give you most assistance in your career progression?

**Figure 5.2.3.1-** the responses of people with different household registration status in private companies and the state owned enterprise in terms of variable-bosses

#### Report

Mean

household registration	vii
Pn	2.82
Pa	2.98
Pu	2.73
Sn	3.27
Sa	5.03
Su	3.79
Total	3.20

Figure 5.2.3.1 showed that staff with “agricultural household registration” status in the state owned enterprise were the least hopeful of all of the groups that they would obtain help from their employers. Again the pattern of low vertical links for agricultural hukou workers in the state sector might be seen, as opposed to much stronger trust for workers who had changed their hukou.

**Figure 5.2.3.2 - Mann-Whitney Test for differences between the two company types in terms of variables bosses and acquaintances from question 7-(Which group do you hope will give you most assistance in your career progression?)**

	7	Mean Rank of Bosses	Mean Rank of Acquaintances
ii state-owned company		277.42	197.68
iii private company		220.24	245.01
Asymp. Sig. (2-tailed)		.000	.000

This difference was statistically significant at 5% or 1%, the median bosses scores and median acquaintances scores for people who worked in the state owned enterprise and people who worked in private companies. For significance levels see Appendix I Figure A17 and Figure A18 respectively.

Therefore, staff were more hopeful that employers would give them more assistance in their career progression in private companies. Further, staff were more hopeful that acquaintances would give them more assistance in their career progression in the state-owned enterprise than those who worked in private companies.

**Figure 5.2.3.3 -Mann-Whitney Test for differences between different household registration groups in terms of variable bosses and managers from question 7 in section 4 of the questionnaire**

	7	Mean Rank of Bosses
Sn		26.66
Sa		43.05
Asymp. Sig. (2-tailed)		.001
Sa		64.03
Su		50.83
Asymp. Sig. (2-tailed)		.043

The difference was statistically significant at 5% or 1%, the median bosses scores for staff changing from "agricultural to non-agricultural" status in the state owned enterprise and staff with "agricultural household registration" status in the state owned enterprise. For the significance level see Appendix 1 Figure A19. The difference was also statistically significant at 5% or 1%, the median bosses scores for staff with "agricultural household registration" status in the state owned enterprise and urban citizens in the state owned enterprise. For the significance level see Appendix I Figure A20. Therefore, staff with "agricultural household registration" status in the state owned enterprise, who hoped employers would give them most assistance in their career progression was even less than those urban citizens and staff changing from "agricultural to non-agricultural" status in the state owned enterprise. A similar pattern of lack of trust, weak vertical social capital for agricultural hukou migrants in the state sector is shown here.

## **Discussion**

### **5.2(1) A strong network of informal relationships/acquaintances in the state owned enterprise**

#### **Relationship networks of rural workers in the state owned enterprise – rural migrant workers' low expectations in terms of their career progression in the state owned enterprise**

Even though employees' frequent contact with their family members and relatives for their career progression, actually, had not created enough social capital to contribute to their career progression availability (see section 5.1.3), family members had actually helped urban citizens in the state-owned enterprise more up to now than other registration groups,(see Figure 5.2.1.1 and 5.2.1.2). It was also evident, from Figures 5.2.1.1 and 5.2.1.2, that compared with other groups of people in this sample, staff with "agricultural household registration" status in the state-owned enterprise received least help from family members. This indicated that rural migrant workers with agricultural hukou in the SOE did not have the same close family connections to help them as traditional urban dwellers. Furthermore, it was evident,



Figure 5.2.1.5, that people who worked in the private companies received more help from employers compared with those who worked in the state owned enterprise (The process of assimilation; the contribution of social capital). Especially, when compared to other groups of people in this sample, staff with “agricultural household registration” status in the state-owned enterprise obtained least help from employers.

Since 2013, in order to stop the rapid deterioration of the enterprise’s business performance, the state owned enterprise D took active measures. They not only cut down management staff and general staff’s wages but also dismissed thousands of workers who were not on the regular payroll and stopped the recruitment of employees’ offspring. This end to recruitment has been going on since 2013. Enterprise reform is imminent (Shen 2014). Through interviews, the researcher understood that workers who were not on the regular payroll were normally rural migrant workers. This also implied that the staff with “agricultural household registration” status in the state owned enterprise were the least hopeful of all of the groups that they would receive help from their employers.

**There are more acquaintances resources in the SOE but these resources are not positively associated with the coordination of leadership activities.**

Further, the data analysis in section 5.2 also revealed that compared with private companies, the state-owned enterprise had more acquaintances acting as social capital resources (see Figure 5.2.1.3, 5.2.1.4 and 5.2.2.1); nevertheless, people who worked in the state owned enterprise were less likely to receive help from employers than those who worked in private companies (see Figure 5.2.1.5 and 5.2.2.1). Staff with “agricultural household registration” status in the state owned enterprise were least hopeful of all of the groups that they would receive help from their employers.

Private companies had more employers and managers acting as social capital. People who worked in private companies hoped employers would give them most assistance in their career progression, more than those who worked in the state owned enterprise. This also indicated that there was a closer relationship between employers and staff in private companies.

One method for building social capital in organisation is to bring together informal groups of employees together to share knowledge and expertise (Lesser 2000). Informal social connections referred to participation with family, friends, and neighbours in informal social and leisure activities. The norm of generalised reciprocity meant that: "I will do this for you without expecting anything specific back from you in the confident expectation that someone else will do something for me down the road." (Putnam 2000:21). The norm of reciprocity is a community asset that increased efficiency. Kotter (1990 *cited by* Harvard Business Review 2010) claimed that strong networks of informal relationships –the kind found in companies with healthy cultures-helped coordinate leadership activities in much the same way that formal structures coordinated managerial activities. The key difference was that informal networks could deal with greater demands for coordination associated with non-routine activities and change. The multitude of communication channels allowed for an ongoing process of accommodation and adaptation. When conflicts arose among roles, those same relationships helped resolve the conflicts. Perhaps most importantly, this process of dialogue and accommodation could produce visions that were linked and compatible instead of remote and competitive. All this required a great deal more communication than would be needed to coordinate managerial roles, but unlike a formal structure, strong informal networks could handle it. From this perspective, the strong networks of acquaintances that were informal networks in state-owned enterprises should be positively associated with the coordination of leadership activities. However, in this sample, although there were more enriched acquaintances resources from the state-owned enterprise, people who worked in the state owned enterprise were less likely to receive help from employers than those who worked in private companies.

### **The analysis of the factors that hinder effective leadership in the SOE**

Corporations that did a better-than-average job of developing leaders put an emphasis on creating challenging opportunities for relatively young employees. In many businesses, decentralisation was the key. It pushed responsibility lower in an organisation and in the process created more challenging jobs at lower levels (Kotter 1990 *cited by* Harvard Business Review 2010). Successful companies went out of their way to make young employees, and people at lower levels in their organisations

visible to senior management. Senior managers then judged for themselves who had potential, and what the development needs of those people were. Executives also discussed their tentative conclusions among themselves to draw more accurate judgments (Kotter 1990 *cited by* Harvard Business Review 2010). Mr W who is a basic level management cadre in this state-owned enterprise D, said: "In the enterprise, there is only your direct leader who can see you. People at lower levels cannot be visible to senior management. It is a very strict process to get promoted in work. There is a strict system for evaluation of work. After strict evaluation and democratic investigation, staff who held a degree, or above, in the state owned enterprise needed at least three years to become a vice section chief and yet another three years to become a section chief. If you do not make any mistakes, in another five years they may become Deputy Director and then a further five years is required to become director general...You cannot be promoted more than one grade at a time. Nevertheless, in this process of work evaluation, if you make any mistakes your promotion will be delayed or not be achieved. If you do not make any mistakes, when you become cadre at bureau level, you are no longer young." From this, it can be seen that the promotion system was rigid. This was not good to develop coordination of leadership activities. This is also revealed by interviewing another manager in the state-owned enterprise. He said: "State-owned enterprises' management standardisation is very good. However, leaders stuck to one pattern for use of talent. This restricts the development of leadership." Socioeconomic institutions include work and occupational structures (Lin, Fu and Chen 2014). The institutional and organizational factors affected social capital employees had. From the analysis above, it was evident that these institutions substantially overlapped in employees' social space. Institutionalizing a leadership-centred culture was the ultimate act of leadership (Kotter 1990 *cited by* Harvard Business Review 2010). From the analysis above, it can be seen that only where there was a flexible employment and promotion system and a career pathway that was open to all talents, could strong networks of informal relationships such as acquaintances be positively associated with effective leadership in corporations.

## **5.2 (2) Relationship network of staff changing from an "agricultural to non-agricultural" status and the ways to promote social inclusion between line managers and employees in private companies**

On the one side, there was this finding – staff changing from an "agricultural to non-agricultural" status were likely to receive more benefits in the SOE than in private companies. (See figure 5.2.2.2). According to this study, most staff changing from an "agricultural to non-agricultural" status were graduates who were from the countryside. See question 2 in section 2 in the questionnaire in appendix II. Most respondents indicated that they changed their agricultural household registration status because of study/university.

Management impacted upon performance: the talented employee might join a company but how long that person stayed and how productive they were while they were there was determined by the relationship with their immediate supervisor. People, who worked together as a team, functioned more efficiently than a group of individuals trying to achieve the same objective on their own (Jenner and Shohet 2014). Thus, it was considered important to improve the relationship between employees and managers.

### **Job security in the state owned enterprise**

It is well known that job stability of regular staff who worked in units of public ownership was good; their wages were stable and their welfare good; rarely were regular staff who worked in units of public ownership dismissed as long as they remained on the right side of the law; everyone needed a sense of security and posts under the public ownership could provide a sense of security and financial stability for people. Further, because the volume of social capital possessed by an individual depended on both the size of the network of connections he or she could mobilize and on the volume of capital (for example, economic or cultural capital) possessed by each person to whom he or she was connected, if others around rural workers possessed a higher volume of capital in a company, rural workers could also have some social capital through connection with them. The researcher also found

from the interviews that line managers' social status in the state-owned enterprise was higher than in private companies to a limited extent.

The director of international trade department in company C said: "For example, if one person was nominated section chief in one private company, this is not the same as a section chief in a state-owned enterprise as after retirement, a section chief in a state-owned enterprise can get their section chief retirement benefits and pension and a section chief in a private company cannot. If private companies had adopted the family management mode, the situation would be worse." Mr W, who is a basic level management cadre and is also from a rural area in this state-owned enterprise, said: "It is more stable to work in a state owned enterprise; normally state-owned enterprises have a good reputation in society and it is easier for people who work in state-owned enterprises to look for a girlfriend." In terms of this question, in the interview in company A (private company), Mr E who is an operations' manager said: "We do not keep workers who do not like to work and do not try their best to work."

In summary, this also indicated that staff changing from an "agricultural to non-agricultural" status (university graduates) were likely to receive more help from line managers in the state owned enterprise than staff with "agricultural household registration" status in private companies and staff changing from an "agricultural to non-agricultural" status in private companies, in this sample.

**Bonding social capital from line managers excludes people who are outside particular spheres of influence in private companies.**

This was one finding which emerged from interviews which revealed negative consequences in private companies.

**Good standard systems / institutions prevent the formation of cliques / strong bonding social capital in companies**

Mr E who is an operations' manager in company A (private company) also said: "We would like to innovate and initiate a project that obligates some employees to report back to us. One colleague conveyed some major points by writing to me the following: "through working for this period, I felt that some managers had a large amount of influence in the company. First of all, a good manager should be target-centred and know how fast and accurately to lead his employees to successfully carry out and accomplish their tasks. The disadvantages of the company's management are the leaders of the teams. When team leaders work, they contact employers and employees at all levels so their roles are very important. Team leaders directly arrange workers' work and also decide workers' wages. They understand the problems of production. If any aspect of production departs from that laid down in documents, they need to know how to correct it. However, sometimes they have too much power and their ability and their power do not match. Sometimes there are many individual factors involved in their management style, so sometimes they cannot be fair to everybody or rural migrant workers and they look after their relatives and friends more. With the development of the company, rules and regulations need to be improved and it is wrong to get around the regulations." Mr E thought: "it is necessary to reduce line managers' powers. Standardising employees' activities also depends on sound regulations and systems. We need to persist in nurturing the soul or culture of employees and the enthusiasm of employees relying on "excellent company culture"." These were also in line with Greiner's thinking. According to Greiner (1972 *cited by* Hayes 2014), when a crisis of control appears, formal systems and procedures are needed in order to facilitate greater coordination across the organisation. Furthermore, it is important to cultivate greater spontaneity. Greater spontaneity is encouraged through developing interpersonal competences, network structures and associated systems that enable people to work together in ways that rely more on social control and self-discipline (Greiner 1972 *cited by* Hayes 2014).

A director of the international trade department in company C in Shandong Province (private company) said: "Team leaders keep account of the amount and the hours of work done by workers and give marks for workers according to the amount of work finished, the quality of products and their attendance record. At the end of every month, they report this to their factory line managers. After line managers have read

and signed the form, line managers send the form to the human resources department/wages department and then the finance department.” From this, it can also be seen that team leaders have a relatively large amount of power. He also said, “In private companies, employers focus on ascertaining where the responsibility lies. However, if leaders like to use trusted aides such as their relatives and friends, it is easy for some groups of people to make concerted efforts but form spheres of influence.” It is what is known as bonding social capital (Putnam 2000). Bonding social capital tends to reinforce exclusive identities and maintain homogeneity (Putnam 2000: 22-23, *cited by* Field 2008). Even though this kind of bonding social capital (Putnam 2000) can help members make concerted efforts to achieve a production aim, bonding social capital excludes people who are outside that sphere of influence. Likewise, strongly connected individuals and groups benefit from higher levels of social capital, but other groups and perhaps society as a whole may not. Some have labelled this condition “individually remunerative yet socially unproductive” (Aldrich 2012).

This director continued to say: “Previously, I have had experiences of working in a state-owned enterprise. In comparison with private companies, there is more freedom and democracy in state-owned enterprises. When workers are faced with any situation they consider unfair, there are some laid down procedures to follow to allow further investigation of the situation.”

Overall, from interviews above, it can be seen that an advanced system can help ensure workers obtain more help from team leaders and line managers as an advanced system / formal system can help resist the formation of cliques and nepotism in companies. Jenner and Shohet (2014) also claimed that “In the workplace, discipline is not simply just showing up but the rigour that is applied to doing a job and doing it well.”

The researcher considered good personnel managers knew how to judge, use and bring out the best in their operatives and to call people of talent to the service of companies; team leaders also needed to avoid only using their relatives and friends as this would not be in the overall interests of workers. Jenner and Shohet (2014) thought that there were many analogies between sport and business and they drew out some core tenets of management and claimed that: “One vital element of

success is the level of responsibility that managers give to their players. It allows the players to feel a part of the chosen methods and goals of the team, thereby strengthening their commitment. The more responsibility they have the better they will perform. They will feel valued, their self-esteem will be improved, their belief in what they do will increase and they will become more accountable for their actions.” Additionally, employees’ jobs could be enriched by making information available directly to employees rather than sending it through their managers first (Herzberg 1987 *cited by* Harvard Business Review, 2010).

Therefore, it is suggested that an ideal situation be created in which not only every factory line manager and production team leader but also every worker was aware of his responsibility for production and tried to find ways of solving related problems. The premise to achieve this was the principle of fairness. Parties should adhere to the principle of fairness. Standard systems / institutions were a key link in the whole chain of a company’s credit system. Further, it was important to strengthen the training of the leaders of teams and groups to improve the level of management of teams and groups.

### **Measures that can help team members get more help from line managers**

A summary of the interview with Mr E in company A in Shandong Province is as follows: The company has two factories - A1 and A2 which are located in different places. Because of historical factors, people who work in A1 worked harder than people who worked in A2. The team coherence of people who worked in A2 was not so strong. In view of this, some good line managers were sent from A1 to A2 to help workers in A2 form good working norms. For details see Appendix XIII. This enlightened the researcher. Bridging social capital referred to the building of connections between heterogeneous groups; these were likely to be more fragile, but more likely also to foster social inclusion (Schuller, Baron and Field 2000). Sending some good line managers from A1 to A2 could bring about cooperative connections between people and help form good work norms. Further, when a norm exists and effective, it constitutes a powerful form of social capital (Lesser 2000).

As far as the problem that team leaders wanted to look after their relatives and friends caused more concern, as this can cause workers to cling together as a group



and exclude outsiders, which would not be good for fostering social inclusion. Strong ties, such as family members and close co-workers, typically share a common body of knowledge and contacts, and they are often not useful in providing new sources of knowledge (Lesser 2000). Further, Granovetter (1973) states, "From an individual's point of view, weak ties are an important resource in making possible mobility opportunity. Weak ties play a role in effecting social cohesion. Therefore, weak ties were needed. New or assistant line managers or a team leaders exchange or involvement would help.

The researcher continued to ask Mr E: "Do you think it is possible to frequently exchange team leaders and line managers to prevent team leaders from only looking after their relatives and friends and excluding others, making sure of social inclusion?" He said: "This will cause general officers not to recognise their soldiers and soldiers not to recognise their general officer." This is an old saying in China. In order to prevent generals maintaining an army and defying orders from the central government, the Northern Song Dynasty (960-1127) government required regular movement where troops were stationed but generals were not embedded with the transfer; thus, soldiers did not appear to know their generals and the generals did not appear to know their soldiers. This was beneficial in preventing generals' power but weakened the army's combat capability. Similarly, frequently exchanging team leaders and line managers could weaken team cohesion and further damage could affect productivity levels.

Mr E also said: "Only by strengthening management and disciplines, and dismissing unqualified team leaders or line managers can we prevent team leaders or line managers from only looking after their own relatives or friends. If one team leader in one team was fired because of default of duty or leaving work, we send a new team leader to this team where team members clung together and excluded others. This can help form new team cohesiveness and let more people in this team benefit from this new team. Normally, one team has about seven people. The person in charge also would welcome emails from employees to report situations."

In summary, the researcher believed there were several measures, as follows, which could help team members receive more help from line managers:

(1) It is considered important to heighten the sense of discipline and improve efficiency, thus preventing team leaders or line managers from only looking after their own relatives or friends. Not only every factory line manager and production team leader but also every worker should be aware of his responsibility for production and should try to find ways of solving related problems. Sometimes, it should be possible to make information available directly to employees rather than sending it through their managers first.

(2) Young employees and people at lower levels in their organisations should be made visible to senior management; the right person should be selected to do the right job and frequently to communicate with line managers and team leaders; be familiar with the situation of workers. Middle-level leaders such as line managers needed to have good communication and coordination abilities, they should be responsible, and have integrity, this should be target-centred.

(3) Form supervision mechanisms; line managers should be jointly and severally liable to team leaders to ensure team leaders were fair to workers. Line managers should be responsible to employers.

(4) Invigorate new vitality into teams at the right time. New blood could be brought into the company through the appointment of new team leaders or line managers when it was needed. Too much bridging social capital could weaken team cohesion in this case.

These ways could promote social inclusion between line managers and employees in private companies. The prevention of the formation of cliques/strong bonding social capital between line managers and employees in private companies can also help rural migrant workers' social inclusion.

### **5.3 An analysis of social capital from the perspective of power and control in the SOE and private companies and an exploration of the Marxist strain of social capital in the SOE.**

This sub-chapter explores social capital from the perspective of power and control in one state owned enterprise and private companies, which could provide a useful insight into the Marxist strain of social capital theory.

The results arrived at two main conclusions:

1. Rural migrant workers could receive more power to make important decisions that could change the course of their life and control slightly more decisions that affected their everyday working in private companies rather than the SOE.
2. In terms of the Marxist strain of social capital which delivered reliable expectations about the behaviour of others (Lewandowski 2006), social capital here (i.e the SOE) could not be relied upon as a positive incentive. The policy of equal pay for equal work in the state-owned enterprise could not evaluate what the real amount of work employees had done so it could not stimulate their enthusiasm fully. Rural migrant workers did not have more social resources in the SOE.

The work context constituted an important aspect of an adult's social life. Accordingly, social relationships formed in workplaces comprised an essential dimension of social ties that individuals had with one another (McDonald, Chen and Crowley 2013 *cited by* Lin, Fu and Chen 2014). Companies in which individuals worked were the basis of individual social networks and social relationships. Resources that companies had in the market could be a source of individuals' social resources.

The operation of state owned business worked in a way that was similar to the role of Marxist strain of social capital. The reason is that for Bourdieu (1986: 248): "Social capital is the sum of the resources, actual or virtual, that accrue to an individual or group by virtue of possessing a durable network of more or less institutionalized relationships of mutual acquaintances and recognition." According to this definition, social capital was associated with social relationships network of mutual acquaintances and recognition. Further, this social relationship network was more or less institutionalised. Therefore, institutions played a leading role in this social capital model. For Bourdieu, this network of relationships was a product of investment strategies, either individual or collective, aimed at establishing or reproducing social relationships that were usable in the future (Bourdieu 1986: 249). It was evident,

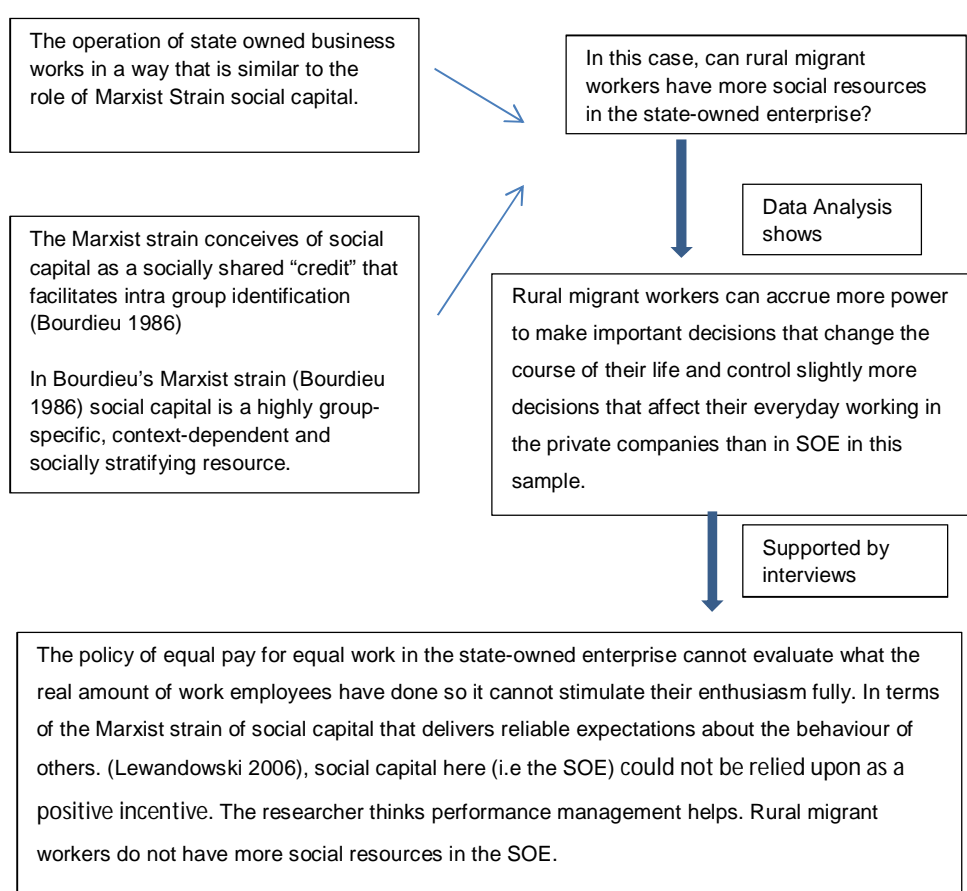
from the analysis of the factors that hindered effective leadership in the SOE in 5.2(1), that jobs in the SOE did not offer enough prospects of promotion, because, as an institution, the SOE restricted employees' career progression. For institutions, such as the SOE reflecting Macro socio-economic institutions in China, these institutions in the SOE substantially overlapped in individuals' social space. The SOE's command political economic regimes indeed influenced the characteristics of employees' social ties. Consequently, there was an estranged relationship between employers and employees in the SOE. See 5.1.1. From this perspective, relationships among people are institutionalised in the SOE.

The administrative regulatory regime of the SOE came from the administration of a planned economy, (For details see Appendix XI). Social norms in Marxist strain were primarily pre-reflective, stratifying norms of consumption that, for instance, predisposed some actors to "choose" to drink beer instead of wine, or to "join" rugby clubs rather than bird-watching societies. There remained a persistent weakness in the Marxist strain's theory of practice and social capital. That weakness stemmed from the overly close fit between habitus and field upon which Bourdieu's account of social capital depended (Lewandowski 2006), (For details see Literature Review, page 53). This might be a similarity between Marxist Strain of social capital and social capital in the SOE. Consequently, this strain of social capital did not facilitate actions; rather, it determined them (Lewandowski 2006).

The Marxist strain conceived of social capital as a socially shared "credit" that facilitated intra group identification (Bourdieu 1986). Moreover, Bourdieu (1986) has identified that social capital promoted inter-group distrust and struggles although it facilitated intra-group mutual recognition, solidarity, and obligations among individual group members as he conceived of social capital as a socio-cultural marker (Lewandowski 2006). In Bourdieu's Marxist strain (Bourdieu 1986) social capital was a highly group-specific, context-dependent and socially stratifying resource. However, from another perspective, SOEs were protected by the government and would have an advantage in gaining resources and in market competition. Socialist policy favoured public ownership of the SOE. The key point of socialist public ownership was to make sure that the ability of resource allocation, on the basis of a steadily expanding national economy, in order to safeguard all society members'

interests not limited by special interests which were embodied in private ownership (Peng *cited by* Liu 2013). If ideology were a core, then China, as a Socialist and Communist state, should exhibit tendencies of a communal socio-economic structure— diffused and equal standing of socioeconomic institutions (Lin, Fu and Chen 2014). Marxists' view (Bourdieu 1986), also treated social capital as something that delivered reliable expectations about the behaviour of others, where the state could have a significant role to play (Lewandowski 2006). In this case, as rural migrant workers and urban citizen were different groups, could rural migrant workers have more social resources in the SOE? See Figure 5.3. Therefore, these gave rise to some questions (question 24, question 22 and question 25) in the questionnaire. For details see questions 24, 22 and 25 in section 4 in the questionnaire in Appendix III.

**Figure 5.3** – A mind-map -summarising the analysis of social capital from the perspective of power and control in the SOE and private companies and an exploration of the Marxist strain of social capital in the SOE.



## Data analysis

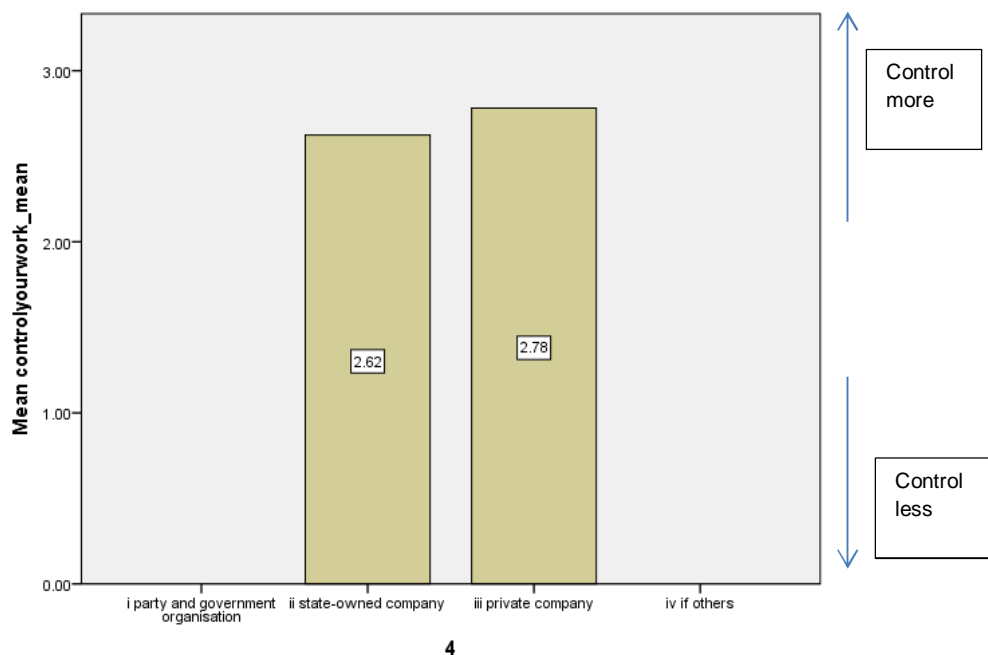
### 5.3.1 The perception of control in the state owned enterprise and private companies

The researcher considered question 24 (in section 4 of the questionnaire) together with company types and household registration status.

(24.How much control do you feel you have in making decisions that affect your everyday working life?

- i. No control   ii.Control over very few decisions   iii.Control over some decisions  
iv.Control over most decisions   v.Control over all decisions)

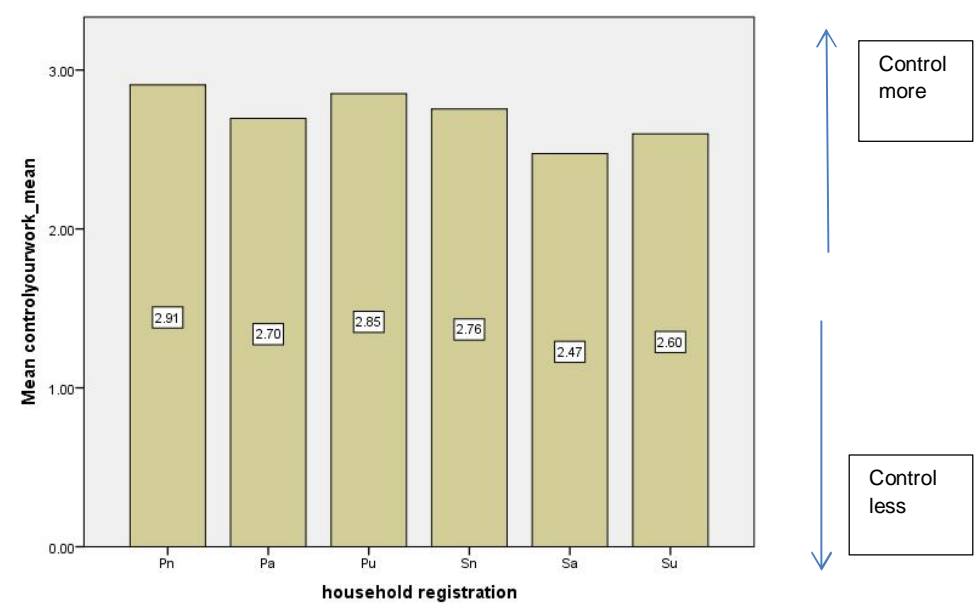
**Figure 5.3.1.1** - The mean score on the dependent variable (“control your work”) for people who worked in the state-owned enterprise and private companies:



There was a significant difference in the median scores on the dependent variable (“control your work”) for each of the two groups who worked in the state-owned enterprise and private companies. For the significance levels see Appendix Figure I A 21. The median score on the dependent variable (“control your work”) for people who worked in the state-owned enterprise was lower than the median score for

people who worked in private companies. Therefore, in this sample people in private companies had more control over decisions that affected their everyday working than those working for the state owned enterprise, (the contribution of social capital).

**Figure 5.3.1.2** - The mean score on the dependent variable (“control your work”) for people with different household registration status:



Private companies:

Pn represents staff changing from "agricultural to non-agricultural" status in private companies

Pa represents staff with “agricultural household registration” status in the private companies

Pu represents urban citizen in the private companies

State owned company:

Sn represents staff changing from "agricultural to non-agricultural" status in the state owned enterprise

Sa represents staff with “agricultural household registration” status in the state owned enterprise

Su represents urban citizen in the state owned enterprise

There was a significant difference in the median scores on the dependent variable (“control your work”) for staff with different household registration status. For the significance levels see Appendix I Figure A22.

Staff changing from "agricultural to non-agricultural" status in private companies controlled slightly more decisions that affected their everyday working compared with staff with “agricultural household registration” status in the private companies but

there was no significant difference. Asymp. Sig. (2-tailed) equals 0.051. For the significance levels see Appendix I Figure A23.

There was a significant difference in the median scores on the dependent variable (“control your work”) for staff changing from "agricultural to non-agricultural" status in private companies and staff with “agricultural household registration” status in the state owned enterprise. For the significance levels see Appendix I Figure A24.

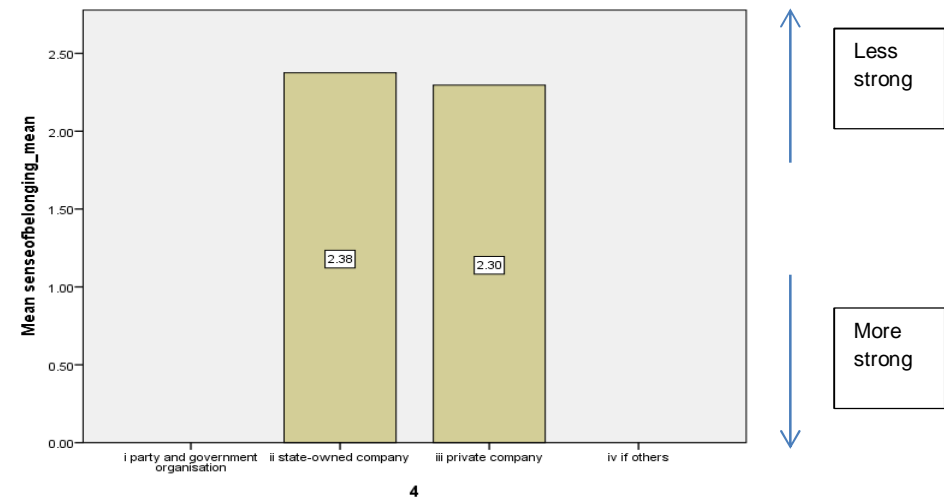
### 5.3.2 Sense of belonging

The researcher considered question 23 (in section 4 of the questionnaire) together with the company types and household registration status.

(22.How strong is the feeling of a sense of belonging do you have in your company?

i.Very strong ii.Somewhat strong iii.Somewhat weak iv.Very weak)

**Figure 5.3.2** -The mean score on dependent variable (“a feeling of a sense of belonging”) for people who worked in the state-owned enterprise and private companies:



The mean score of the dependent variable (“a feeling of a sense of belonging”) for people in private companies was slightly less than the mean score of the dependent variable (“a feeling of a sense of belonging”) for people in the state owned enterprise.



### 5.3.3 Power to make important decisions in the state owned enterprise and private companies

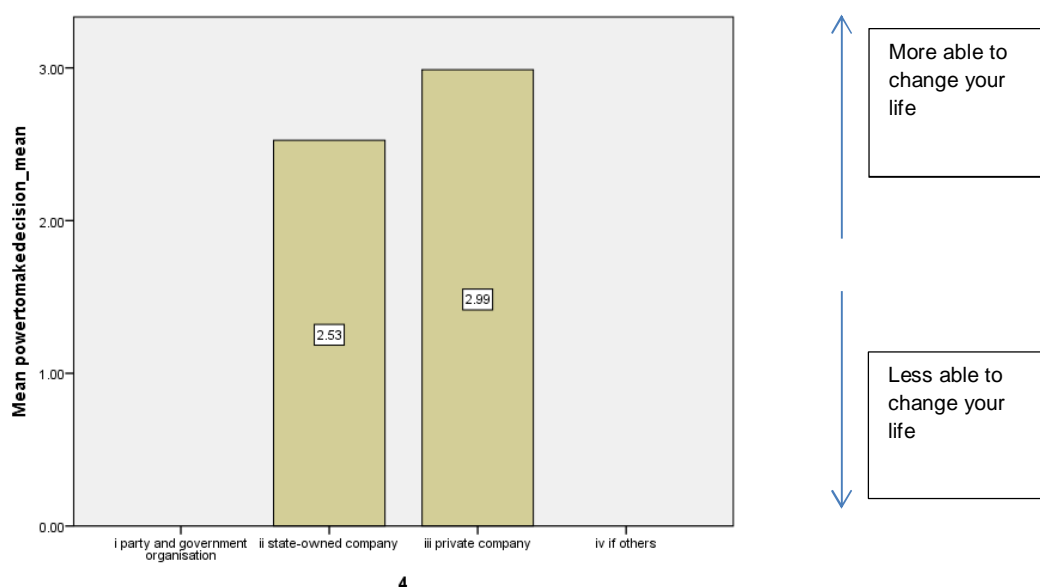
The researcher analysed question 25 (in section 4 of the questionnaire) together with the company types and household registration status.

(25.Do you feel that you have the power to make important decisions that change the course of your life?

i.Totally unable to change my life    ii.Mostly unable to change my life

iii Mostly able to change my life    iv.Totally able to change my life )

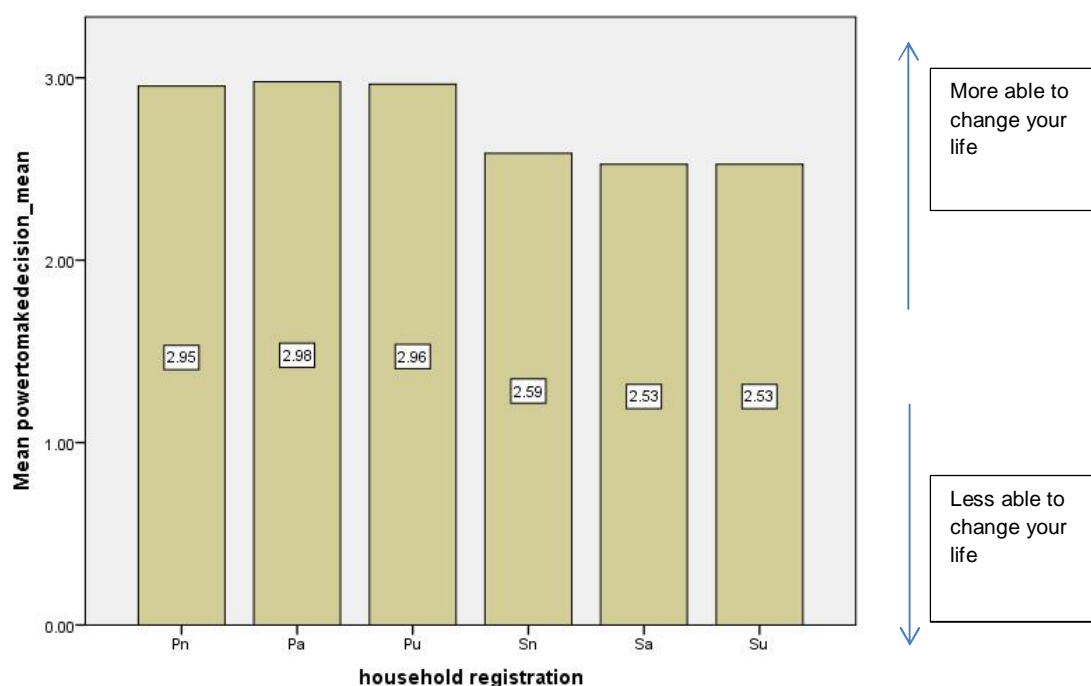
**Figure 5.3.3.1** -The mean score of the dependent variable (“the power to make important decisions that change the course of your life”) for people who worked in the state-owned enterprise and private companies



There was a significant difference in the median scores of the dependent variable (“the power to make important decisions that change the course of your life”) for each of the two groups who worked in the state-owned enterprise and private companies.

For the significance levels see Appendix I Figure 25. In this sample people who worked in private companies had more power to make important decisions that could change the course of their life compared with people who worked in the state-owned enterprise.

**Figure 5.3.3.2** -The mean score concerning the dependent variable (“the power to make important decisions that change the course of your life”) for people with different household registration status:



Private companies:

Pn = staff changing from "agricultural to non-agricultural" status in the private companies

Pa = staff with "agricultural household registration" status in the private companies

Pu = urban citizen in the private companies

State owned company:

Sn = staff changing from "agricultural to non-agricultural" status in the state owned enterprise

Sa = staff with "agricultural household registration" status in the state owned enterprise

Su = urban citizen in the state owned enterprise

The difference was statistically significant at 5% or 1% in the median “the power to make important decisions that change the course of your life” scores for different household registration groups. For the significance levels see Appendix I Figure A26.

The staff changing from "agricultural to non-agricultural" status in private companies had more power to make decisions that could change the course of their life than staff changing from "agricultural to non-agricultural" status in the state-owned enterprise.

The staff with “agricultural household registration” status in private companies had more power to make decisions that could change the course of their life than the staff changing from "agricultural to non-agricultural" status in the state-owned enterprise.

The staff with “agricultural household registration” status in private companies had more power to make decisions that could change the course of their life than the staff with “agricultural household registration” status in the state-owned enterprise.

It became evident that rural migrant workers in private companies had more power to make important decisions that could change the course of their lives and had more control over decisions that could affect their everyday work than those working for the state-owned enterprise.

## **Discussion**

### **Power and control in the state owned enterprise and private companies**

As described in the data analysis in 5.3, staff changing from "agricultural to non-agricultural" status and staff with “agricultural household registration” status in private companies had more power to make decisions that could change the course of their life than staff changing from "agricultural to non-agricultural" status and staff with “agricultural household registration” status in the state owned enterprise. Further, people who worked in private companies controlled more decisions that could affect their everyday work compared with people who worked in the state owned enterprise in this sample.

In summary, rural migrant workers could obtain more power to make important decisions that could change the course of their life and were able to control slightly more decisions that affected their everyday work in private companies than the SOE in this sample. Rural migrant workers did not have more social resources in the SOE. For reasons see relationship network between rural workers in the state owned enterprise – rural migrant workers’ low expectations in terms of their career progression in the state owned enterprise in 5.2(1). This view is consistent with the

Marxist strain of social capital (Bourdieu 1986) that was highly group-specific, context-dependent and a socially stratifying resource.

**Pay and rewards – the analysis of the reason why people who worked in the state-owned enterprise controlled fewer decisions that could affect their everyday work and had less power to make important decisions.**

During interviews, the researcher also understood that the state-owned enterprise practised the policy of equal pay for equal work, but was not in favour of a part of the population becoming well-off first through hard work which could earn them greater income. The researcher interviewed one member of staff in the state-owned enterprise D - Mr F. His original household registration was agricultural, and was changed from agriculture to non-agricultural household registration because he went to university several years ago. Mr F said: "If our job is the same, we receive the same amount of income. If I need to take time off work one day because I am ill or on leave of absence, other people can work as a substitute for me. They can work as a substitute for me for one day or two days, but they cannot work as a substitute for me for many days because they cannot get extra income even though they do extra work. We have an average of twenty-two working days in one month and money paid by the company to us is based on these twenty-two working days every month. Why would we work for an extra eight days? Thus, sometimes it is hard for us to actively to do extra work." This would also explain the reason why people who worked in private companies controlled more decisions that affected their everyday work and had more power to make important decisions, compared with people who worked in the state owned enterprise in this sample as most private companies in this sample adopted performance management.

As was analysed before, the operation of state owned business worked in a way that was similar to the Marxist strain of social capital which did not facilitate actions; rather it determined them (Lewandowski 2006). The Marxist's view (Bourdieu 1986) treated social capital as something that delivered reliable expectations about the behaviour of others. However, from the analysis above, the policy of equal pay for equal work was unable to evaluate what the real amount of work employees had done so it could not stimulate their enthusiasm fully. Accordingly, reliable

expectations about the behaviour of others and members' interests could not be completely assured. In terms of the Marxist strain of social capital that delivered reliable expectations about the behaviour of others (Lewandowski 2006), social capital here (that is in the SOE) did not provide a positive incentive which could be relied on. The researcher considered that performance management might help.

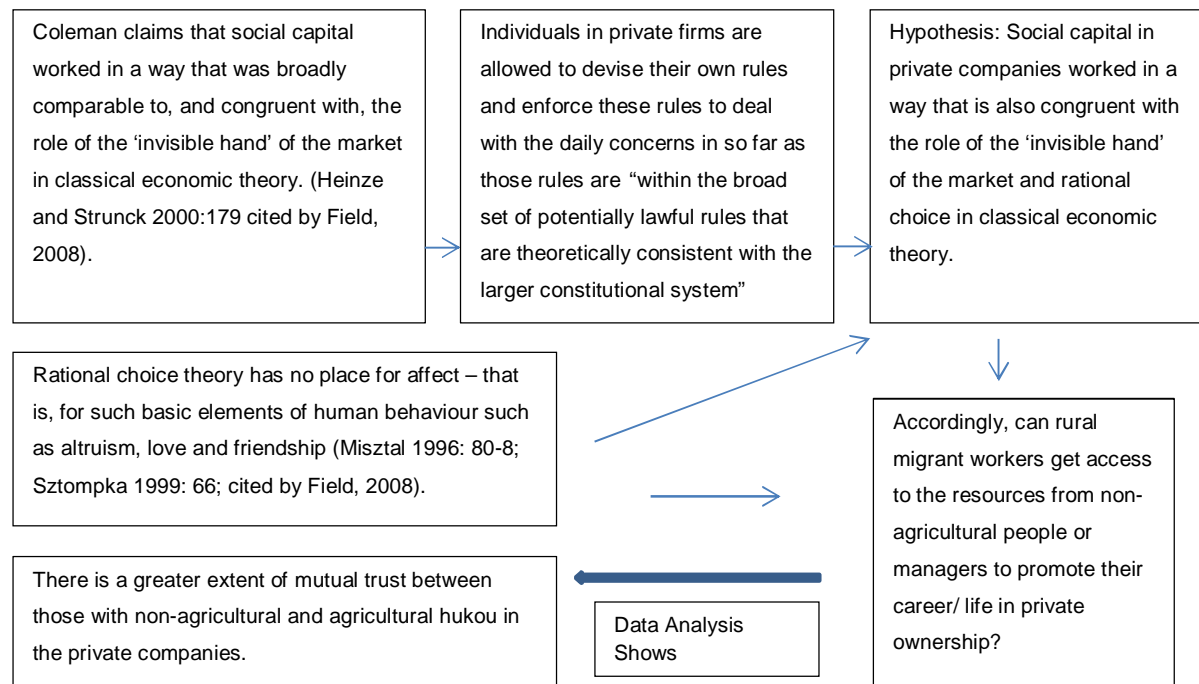
#### **Section 5.4 – The importance of trust between registration (hukou) groups in organisations and an exploration of the rational strain of social capital in private companies.**

**This sub-chapter explains the rational strain of social capital in organisations.**

**The results arrived at four main conclusions:**

1. There was a greater extent of mutual trust between those with non-agricultural and agricultural hukou in private companies.
2. Social capital in private companies promotes mutual trust between rural migrant workers and urban citizens in private companies.
3. Support culture in companies could promote trust. Private companies' performance evaluation system and flexible labour and employment systems could promote mutual trust among different household registration groups.
4. Social capital in private companies acts on the premise of mutual benefit and reciprocity rather than only rational choice. Mutual benefit and reciprocity could bring about higher productivity and economic efficiency.

**Figure 5.4 – A mind-map -summarising the analysis of mutual trust between people with non-agricultural hukou and people with agricultural hukou in organisations and an exploration of the rational strain of social capital in private companies.**



In traditional principal-agent theory, assumptions of client and agent are based on rational-economic man hypothesis. A traditional state-owned economy does not recognize any private ownership. The master is the abstract whole nation. This resembled an economy without a final trustee. Numerous organisations and people seemed to be trustees, but after bearing close inspection, they were agents rather than trustees who assumed property accountability (Zou *cited by* Liu 2013). In this case, the lack of property rights encouragement could cause the efficiency of public ownership to be lower than the efficiency of private ownership. From this perspective, the efficiency of private ownership would be higher. Without private ownership, there would be no market economy. Moreover, Coleman defined social capital as a function of social structure producing advantages (Coleman 1990: 302, from Coleman 1988: S98, *cited by* Linet *et al.* 2001). "Social capital is defined by its function. It is not a single entity but a variety of different entities having two characters in common: they all consist of some aspects of a social structure, and they facilitate certain actions of individuals who are within the structure." (Coleman 1990: 302, from Coleman 1988: S98, *cited by* Lin *et al.* 2001). Coleman's rational strain of social capital indicated that social capital worked in a way that was broadly comparable to, and congruent with, the role of the "invisible hand" of the market in classical economic theory (Heinze and Strunck 2000:179 *cited by* Field 2008). Furthermore, social capital included the organisational capital that managers have

developed through their styles of administration, incentives and commands, their labour practices, and systems of dispute resolution. What went on within a firm was closely linked with what went on outside the firm, within the firm's environment. There was, thus, a close link between markets and social capital (Stiglitz 1990 *cited by* Dasgupta and Serageldin 1999). Individuals in private firms are allowed to devise their own rules and enforce these rules to deal with the daily concerns in so far as those rules are "within the broad set of potentially lawful rules that are theoretically consistent with the larger constitutional system" (Ostrom, Gardner and Walker, 1994: 39 *cited by* Ostrom and Ahn 2013). Therefore, social capital in private companies may work in a way that was also congruent with the role of the "invisible hand" of the market in classical economic theory. This study integrated, for the first time, the rational strain of social capital theory into the research of private companies.

According to the rational strain of social capital theory, individuals could use this structure of relations (efficiency of resource configuration) to obtain their interest, but rational choice theory has no place for affect – that is, for such basic elements of human behaviour such as altruism, love and friendship (Misztal 1996: 80-8; Sztompka 1999: 66; *cited by* Field, 2008). Coleman sought to integrate economic and social theory on the basis of rational choice theory (Field 2008). Coleman's work has been widely criticised for sharing with rational choice theory a highly individualistic, and calculating, model of human behaviour. Rational choice theory assumed that participation in collective behaviour represented a deviation from the norm, which consisted of individuals pursuing their own private interests, if necessary at the expense of others. Cooperation and trust were therefore aberrations, and rational choice theorists believed that individuals only embraced collective action where they thought this was the best way of achieving their individual choices (Field 2008). Accordingly, could rural migrant workers obtain access to the resources from non-agricultural people or managers to promote their career/ life in private ownership? Were people who were in the state owned enterprise more likely to help each other and were migrant workers or people who were in private companies more likely to help each other or help rural migrant workers? Trust was highly associated with generalized reciprocity, so trust remained a good proxy for positive, reciprocal ties in general (Paxon 1999: 98, *cited by* Kay and Johnston 2007). Therefore, these have given rise to some questions (question

17, 18 and 19) in the questionnaire. For details see question 17, 18 and 19 in section 4 in the questionnaire in Appendix III.

## Data Analysis

### 5.4.1 Comparing the state-owned enterprise with private companies regarding mutual trust between people with a non-agricultural hukou and people with an agricultural hukou

5.4.1 The researcher considered question 18 together with company types and considered question 19 together with company types.

(18. How far do you trust people with the nonagricultural hukou if you are a rural migrant worker?

i. To a very small extent

ii. To a small extent

iii. To a great extent

iv. To a very great extent)

19. How far do you trust people with the agricultural hukou if you are nonagricultural hukou resident?

i. To a very small extent

ii. To a small extent

iii. To a great extent

iv. To a very great extent)

**Figure 5.4.1.1** - The Mann-Whitney Test for differences between two company types in terms of variables - “trust people with the nonagricultural hukou” and “trust people with the agricultural hukou”

#### Ranks

		Mean Rank of “trust people with the nonagricultural hukou”	Mean Rank of “trust people with the agricultural hukou”
ii state-owned company		213.10	202.00
iii private company		249.41	268.55
Asymp. Sig. (2-tailed)		.004	.000



There was a significant difference in the median scores concerning the dependent variable - “trust people with the nonagricultural hukou” and “trust people with the agricultural hukou” for staff who worked in the state-owned enterprise and private companies. The mean rank indicated which group could trust each other more in the different organisations. Namely, the group with the highest mean rank. The mean rank was higher for private companies than for the state owned company. This implied the average rank in terms of trusting the “other group” was higher. There was greater trust in private companies. For significance levels see Appendix I Figure A 27 and Figure A 28. Rural migrant workers trusted people with the nonagricultural hukou more in private companies. Nonagricultural hukou residents trusted people with an agricultural hukou more in private companies.

#### **5.4.2 - Urban residents trusted rural migrant workers slightly more than rural migrant workers trusted urban residents.**

Question 18 asked - How far do you trust people with the non-agricultural hukou if you are a rural migrant worker?

**Figure 5.4.2.1** - The responses of rural migrant workers from question 18 are depicted below:

	Frequency	Valid Percent	Cumulative Percent
Valid			
i.To a very small extent	39	8.2	8.2
ii.To a small extent	215	45.2	53.4
iii.To a great extent	202	42.4	95.8
iv.To a very great extent	20	4.2	100.0
Total	476	100.0	

Question 19 asked - How far do you trust people with the agricultural hukou if you are nonagricultural hukou resident?

**Figure 5.4.2.2** - The responses of non-agricultural hukou residents from question 19

	Frequency	Valid Percent	Cumulative Percent
i.To a very small extent	16	3.3	3.3
Valid ii.To a small extent	203	41.3	44.5
iii.To a great extent	252	51.2	95.7
iv.To a very great extent	21	4.3	100.0
Total	492	100.0	

It was evident from Figures 5.4.2.1 and 5.4.2.2 above, that urban residents trusted rural migrant workers slightly more than rural migrant workers trusted urban residents.

#### **5.4.3 Young people's attitude towards rural migrant workers has become more positive.**

There was a significant difference in the median scores on the dependent variable ("trust people with agricultural hukou") for different age groups of people. For the significance levels see Appendix I Figure A 29. Young people tended to trust people with an agricultural hukou more in this sample. This implied that, unlike their parents, young people had higher levels of trust towards rural workers than older people.

#### **5.4.4 Comparing groups of people with different household registrations regarding mutual trust between people with a non-agricultural hukou and people with an agricultural hukou**

Further, there was a significant difference in the median scores relating to the dependent variable ("trust people with nonagricultural hukou") for groups of people with different household registrations. For the significance levels see Appendix I Figure A 30. Staff changing from an "agricultural to non-agricultural" status and staff with "agricultural household registration" status in private companies trusted people with a nonagricultural hukou more than other groups.

There was also a significant difference in the median scores concerning the dependent variable ("trust people with agricultural hukou") for urban citizens in

private companies compared with urban citizens in the state-owned enterprise. For the significance levels see Appendix I Figure A 31. Urban citizens in private companies trusted people with an agricultural hukou more than other groups. Bridging social capital was higher in private companies than in the SOE.

**5.4.5 People who agreed that most people working in the company could be trusted were positively related to people who agreed that most people in the company were willing to help if they needed it.**

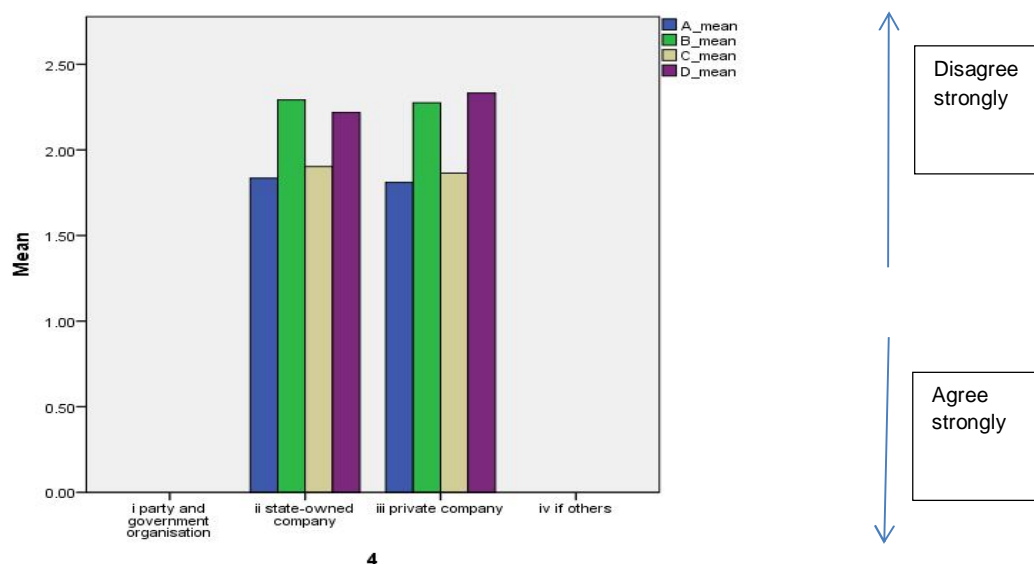
The researcher analysed question 17 together with company types.

(17. In general, do you agree or disagree with the following statements?)

	i.Agree strongly	ii.Agree	iii.Disagree	iv.Disagree strongly
(A. Most people who work in the company can be trusted	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B. In the company, one has to be alert or someone is likely to take advantage of you	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C. Most people in the company are willing to help if you need it.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D. In the company, people generally do not trust each other in matters of lending and borrowing money.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

For frequencies see Appendix I Figure A 32. )

**Figure 5.4.5.1** -The mean scores relating to the dependent variables (“A, B, C, D”) for people who work in the state-owned enterprise and people who worked in private companies.



From Figure 5.4.5.1, the degree of agreement to statements A and C was higher than the agreement to statements B and D. A and C were positive statements about trusting people, whereas B and D were negative. There was not a great deal of difference between private companies and the SOE looking at Figure 5.4.5.1.

**Figure 5.4.5.2- Correlations Test for statements A and C**

Correlations			
		17 A	C
17 A	Pearson Correlation	1	.399**
	Sig. (2-tailed)		.000
	N	526	519
C	Pearson Correlation	.399**	1
	Sig. (2-tailed)	.000	
	N	519	521

\*\* . Correlation is significant at the 0.01 level (2-tailed).

People who agreed that most people working in the company could be trusted were positively related to people who agreed that most people in the company were willing to help if they needed it. Therefore, “trust” and “willingness to help” were positively related.

#### 5.4.6 Rural migrant workers think urban citizens are willing to socialise with them more in private companies.

The researcher considered question 31(in section 2 of the questionnaire) with respect to company types.

(31. In their hearts, do you think urban citizens are willing to socialise with you?

i. With a great deal of pleasure    ii. Willingly    iii. Not very willingly    iv. Reluctantly)

Rural migrant workers felt urban citizens were willing to socialise with them more in private companies. For the significance levels see Appendix I Figure A 33.

## **Discussion**

### **The importance of trust in companies**

Granovetter (1985) claimed that any transaction which was embedded in social networks and trust generated through interpersonal interaction could help inhibit opportunist action. Incentive mechanisms for human capital increased staff costs of opportunism and effectively reduced organizational costs, and ultimately an enterprise could achieve the efficient allocation of resources. The trust factor was involved in the process of implementing command or excitation mechanisms. Trust in an effective operation of transaction between the two sides has exceeded the minimum trust to promote the achievement of enterprises' resource optimization. In fact, interactions of the actors in the network were important to curb speculation. With trust, more supervision and authority control became redundant (Zhang 2010).

**Trust contributed to successful collective action and social capital in private companies promoted mutual trust between rural migrant workers and urban citizens in private companies.**

Economic regions characterized by high levels of interpersonal trust might outperform those in which relations were mutually distrustful (Kay and Johnston 2007: 21). The various forms of social capital contributed to successful collective action, almost always by enhancing trust among the actors. In other words, trust might be viewed as the core link between social capital and collective action (Ostrom and Ahn 2013). Torsvik (2000) also claimed that trust itself was not a form of social capital but an outcome of the forms of social capital and a key link between social

capital and successful collective action. The existence of trust among a group of individuals could often be explained as a result of the presence of some configuration of the forms of social capital. From the data analysis in 5.4, a greater extent of mutual trust between those with non-agricultural and agricultural hukou in private companies could be discerned. Moreover, the perceived trust level improvement of staff with “agricultural household registration” status in private companies was better than staff with “agricultural household registration” status in the state owned enterprise; people who agreed most people working in the company could be trusted were positively related to people who agreed most people in the company were willing to help if you needed it. Therefore, rural migrant workers could obtain access to the resources from non-agricultural people or managers to promote their career/ life in private ownership. Trust and social capital are inherently intertwined. Without trust there is no reciprocity, no consideration, and very feeble network (Halstead and Deller 2015). Accordingly, because of the mutual trust between rural migrant workers and urban citizens in private companies, the functions of social capital in private companies might be recognised. It was the social capital in private companies that promoted the mutual trust between rural migrant workers and urban citizens in private companies. The rational strain of social capital theory (Coleman 1990a and Becker 1990) has been integrated into the research of private companies in this study. Coleman (1994) sought to integrate economic and social theory on the basis of rational choice theory (Field 2008). As a consequence of such individualistic rationality assumptions regarding the nature of human action as utility-maximisers, the rational strain of social capital theory understood trust among actors as a horizontally thin, organisational network which functions to bridge and coordinate individual action (Hardin 2000). However, as above, social capital in private companies acts on the premise of mutual benefit and reciprocity. Mutual benefit and reciprocity can bring about a higher productivity and economic efficiency.

## **The analysis of reasons of mutual trust in organisations**

### **Reciprocal norm**

Institutional rules in private companies also created incentives for the parties of transactions to behave trustworthily. For example, home culture in private companies can help employees behave trustworthily, guiding employees to create a solid

emotional foundation with kinship and create a happy collective with love for the company. For home culture, see the discussion in 5.1.1. This reciprocal norm in private companies can enforce employees' obligations and expectations. Coleman (1990) thought that social obligations and expectations are elements of social relationships that include social capital (*cited by* Smidt 2003). Social obligations and expectations help to forge the element of social trust that is inherent in interpersonal relationships where "if A does something for B and trusts B to reciprocate in the future, this establishes an expectation in A and an obligation on the part of B" (Coleman 1988 *cited by* Smidt 2003).

Furthermore, trustworthiness is an independent and non-reducible reason why some communities achieved collective action while others failed (Ostrom and Ahn 2013). Trust was enhanced when individuals were trustworthy, were networked with one another in multiple ways, and were within institutions that facilitated the growth of trust (Ostrom and Ahn 2013). Putnam (2000: 134-37) viewed trustworthiness, or a generalized reciprocity, as a touchstone of social capital. Similarly, Paxton (1999) focused on trust as a measure of aggregated social capital. In this study, private companies' institutions (that is home culture and performance management) facilitated growth of social capital and trust among their employees.

## **Interaction**

Lines *et al.* (2005) noted that several studies had linked trust to levels of openness in communication and information sharing levels of conflict, and the acceptance of decisions or goals. When organisational members did not trust managers, they were likely to resist any change they proposed (Lines *et al.* 2005 *cited by* Hayes 2014). Therefore, the improvement in the level of trust for one another could bring about greater levels of openness in communication. Similarly, interaction enabled people to build communities, to commit themselves to each other, and to knit social fabric. A sense of belonging and the concrete experience of social networks (and the relationships of trust and tolerance involved) could, it is argued, bring great benefits to people (Field 2003: 1-2). Trust between individuals would thus become trust between strangers and trust of a broad fabric of social institutions; ultimately, it would become a shared set of values, virtues, and expectations within society as a whole (Beem 1999: 20). Therefore, trust and interaction could supplement each other.

In addition, according to Putnam (1995: 665): the more we connect with other people, the more we trust them". Putnam suggested that high levels of social participation were indicative of a density of interaction that would be instrumental in building mutual trust and commitment (1993b; see also Uehara 1990 *cited by* Kay and Johnston 2007). Combined with the analysis from the interview, flexible and equal systems of labour power employment gave people, with different household registrations, opportunities to interact with each other. This could involve relationships of both trust and tolerance. Private companies' flexible labour and employment systems could promote mutual trust among different household registration groups. Further, as the saying goes: "the abler a man is, the busier he gets." Private companies adopted performance management targets for employees. This could promote an equal opportunities promotion system.

### **Support cultures**

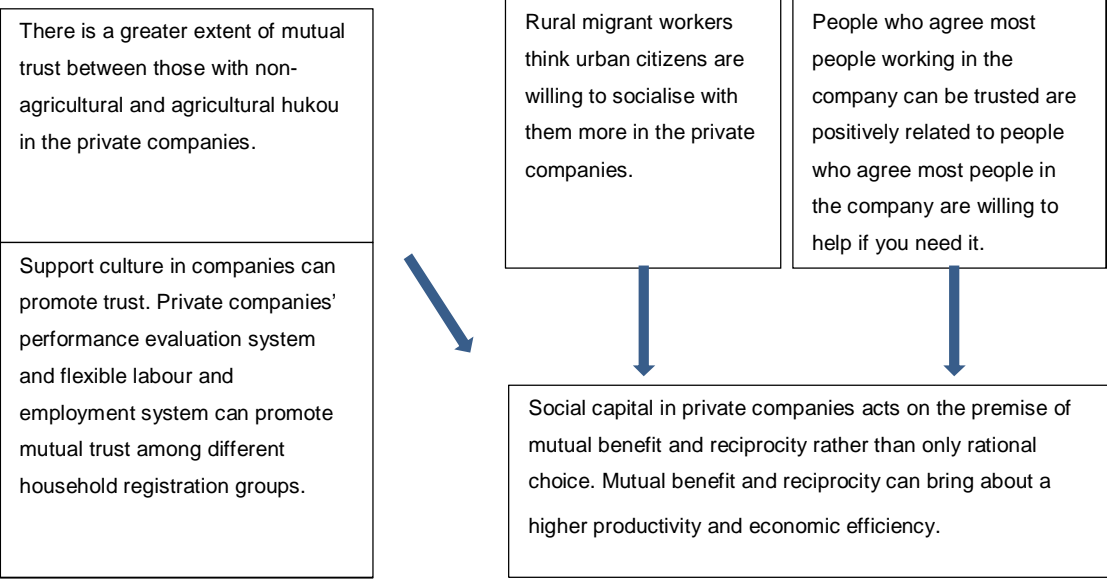
Person / support cultures could often be found in settings where individuals came together to share an infrastructure that enabled them to achieve their own goals in organisations which placed a high value on the quality of work life. They imposed the least constraints and allowed members/ employees to use their own initiative to be innovative. The main characteristics of person/support cultures were mutual trust between individuals and organisations; members believed they were valued as human beings; members helped each other beyond the formal demands of the job; members knew the organisation would go beyond the requirements of the employment contract to look after them if they needed support; structure was the minimum required to help individuals do their job (Hayes 2014). During interviews, the researcher found that good private companies fostered a support culture (for example, home culture) and team spirit. For instance, when the researcher interviewed the deputy general manager in one private company C, the researcher found that since building this company, there had never been a default in workers' wages. They bought employees birthday cakes for their birthday. They delivered gifts to workers' children on Children's Day and Christmas Day. Individuals' performance pay systems were adopted and base pay was linked to performance; performance pay also depends on the company's overall economic efficiency. The performance



evaluation system greatly encouraged staff. The researcher believed all these could help foster a support culture.

It is considered important to carry out a flexible employment, promotion system (all kinds of talents included) in conjunction with personnel appointed wisely and assigned duties according to ability. This could also give employees more autonomy and cultural satisfaction.

Conclusion:



**Section 5.5 - Job Satisfaction with respect to educational attainment, income, trust and control**

**This section proposes to assess what factors influenced employees' and rural migrant workers' job satisfaction. The investigation also sought to analyse ways to improve social relations and mutual trust in organisations. See Figure 5.5.**

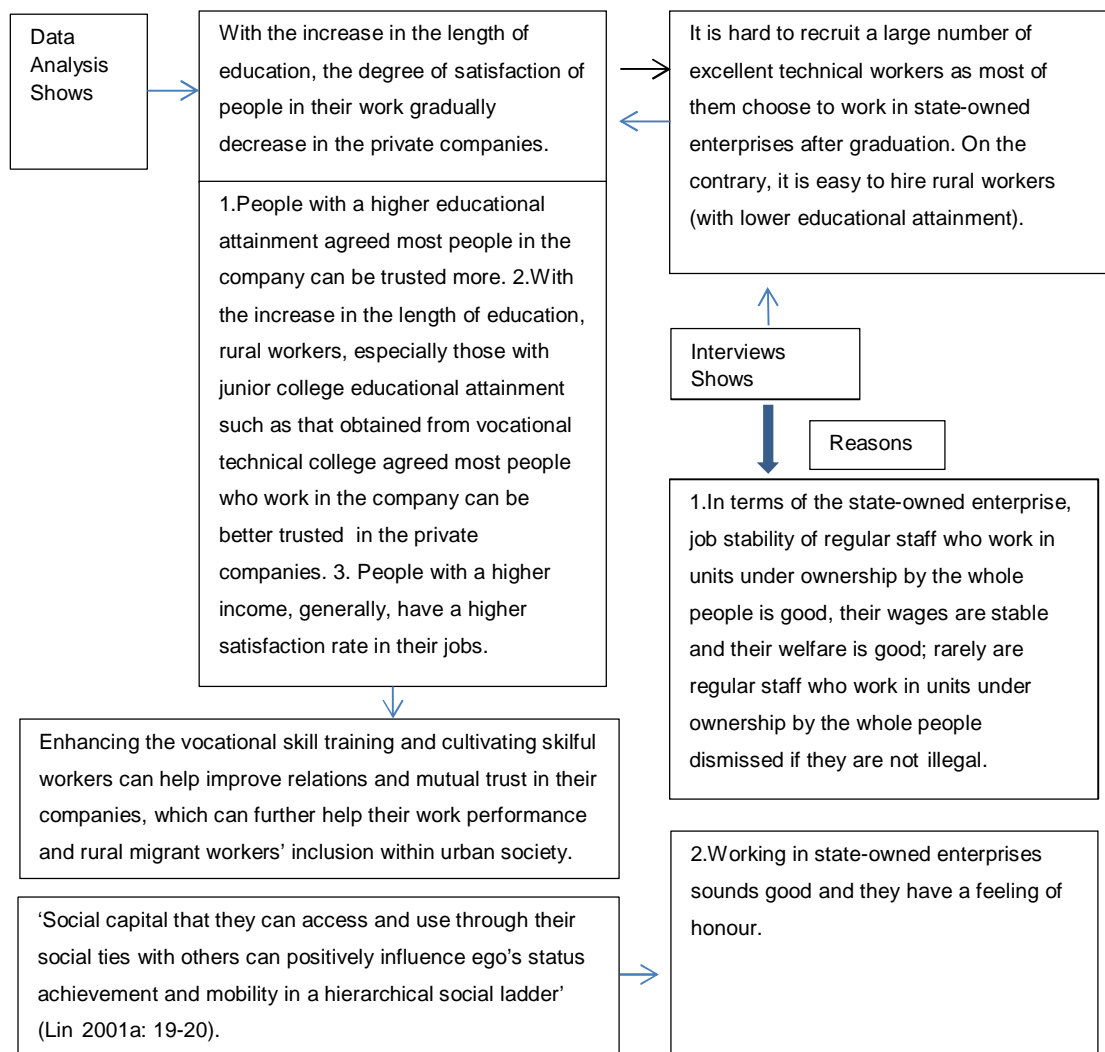
**The results arrived at three main conclusions:**

1. Notwithstanding opportunities available within the private sector, the trend showed a greater preference for the SOE where educational attainment was higher because of job security and financial stability in the SOE.

2. From the rural workers' perspective, increasing educational qualification leads to greater trust of colleagues in private firms than in SOEs. Junior college educational attainment such as that obtained from a vocational technical college is especially important for rural migrant workers.

3. Enhancing vocational skill training and cultivating skilful workers could help improve relations and mutual trust in companies, which could further help rural migrant workers' work performance and their inclusion within urban society.

**Figure 5.5** – A mind-map - summarising job satisfaction with respect to educational attainment and income



## Data Analysis

**5.5.1 With an increase in the length of education, the degree of satisfaction of people in their work was lower in private companies.**

The researcher considered question 14 together with the length of education.

(14.How do you rate your job satisfaction in your work place?

i.Much too high ii. A little too high iii. About right iv. A little too low v. Much too low

4.The length of your education was \_\_\_\_\_

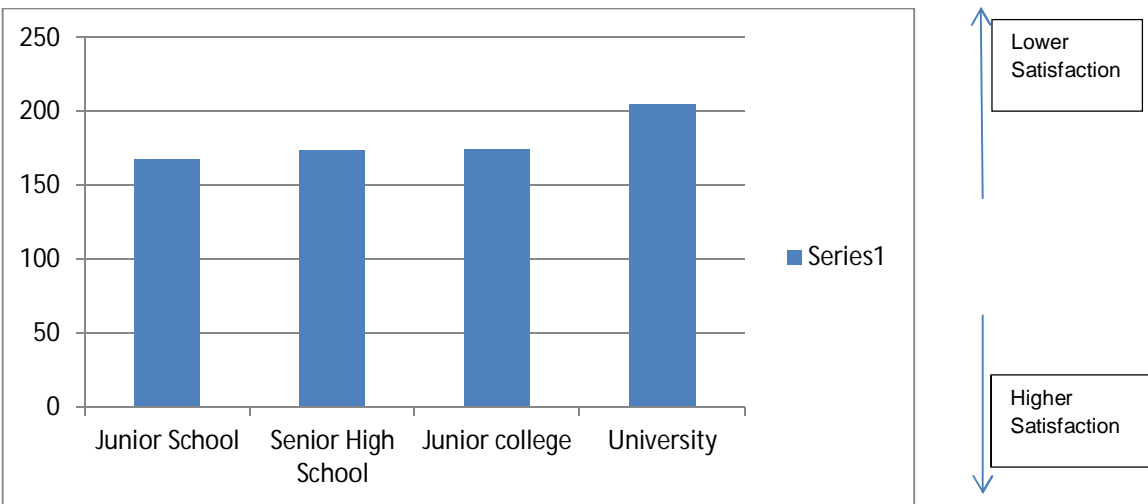
PLEASE CIRCLE THE HIGHEST LEVEL YOU HAVE ATTAINED

i Junior middle school ii Senior high school iii Junior vocational college iv

University v Others, please give details\_\_\_\_\_)

The Kruskal-Wallis test results for the dependent variable (“the satisfaction rate”) for different educational attainment groups in private companies indicated that an increase in the length of education, the degree of satisfaction of people with higher educational attainment in their work gradually decreased in private companies. For the significance levels see Appendix I Figure A 34.

**Figure 5.5.1 – The mean score concerning the dependent variable (“the satisfaction rate”) for people who worked in private companies**



**5.5.2 People with a higher income, generally, had a higher satisfaction rate in their jobs.**

The Kruskal-Wallis Test to question 14 (satisfactory) and question 9 (income per month) in section 4 of the questionnaire revealed that there was a significant difference in the median scores of the dependent variable (“satisfactory”) for people with different incomes per month. For the significance levels see Appendix I Figure A 35. People with a higher income, generally, had a higher satisfaction rate in their jobs.

#### **5.5.3 Difference in trust between education levels - people with higher education trusted people more than people with a lower educational attainment.**

The Kruskal-Wallis Test of variable-education lengths and variable-18 A (most people who worked in the company could be trusted) indicated that there was a significant difference in the median scores of the dependent variable (“most people can be trusted”) for people with different educational attainment. For the significance levels see Appendix I Figure A 36. People with a higher educational attainment agreed most people in the company could be trusted more.

#### **5.5.4 Rural workers’ social trust was also significantly higher as education levels increased.**

The Kruskal-Wallis Test of variable-education lengths and variable-18 A (most people who worked in the company could be trusted) showed that there was a significant difference in the median scores regarding the dependent variable (“most people can be trusted”) for rural workers with different educational attainment in private companies. For the significance levels see Appendix I Figure A 37. Rural workers with a higher educational attainment agreed that most people in the company could be trusted more in private companies. With the increase in educational attainments, rural workers, especially those with junior college educational attainment such as that obtained from a vocational technical college, agreed that most people who worked in the company could be trusted more in private companies.

#### **5.5.5 People who are communist party members have more power to make important decisions that could change the course of their life.**

The researcher analysed question 1- political status (section 3 in questionnaire) together with question 25 (section 4 in questionnaire). The results showed that people who were communist party members had more power to make important decisions that could change the course of their life. For the significance levels see Appendix I Figure A 38.

(25.Do you feel that you have the power to make important decisions that could change the course of your life?

i.Totally unable to change my life      ii.Mostly unable to change my life      iii.Mostly able to change my life      iv.Totally able to change my life)

#### **5.5.6 People who were communist party members had stronger rights of speech/hold opinions in their working environment.**

The researcher analysed question 1- political status (section 3 in questionnaire) together with question 26 (section 4 in questionnaire). The results indicated people who were communist party members had stronger rights of speech in their working environment. For the significance levels see Appendix I Figure A 39.

(26.Do you feel that you have a strong right of speech in your working environment?

i.Very strong      ii.Strong      iii. Weak      iv.Very weak      )

#### **5.5.7 Rural workers who were communist party members had stronger rights of speech in their working environment in private companies.**

In terms of rural workers in private companies, the results of the analysis of question 1 - political status (section 3 in questionnaire) and question 28 (section 4 in the questionnaire) showed that rural workers who were communist party members had stronger rights of speech in their working environment in private companies. For the significance levels see Appendix I Figure A 40.

#### **5.5.8 Rural workers who were communist party members had more power to make important decisions which could change the course of their life in private companies.**

In terms of rural workers in private companies, the results of the analysis of question 1 - political status (section 3 in questionnaire) and question 27 revealed that rural workers who were communist party members had more power to make important

decisions that could change the course of their life in private companies. For the significance levels see Appendix I Figure A 41.

(25. Do you feel that you have the power to make important decisions that could change the course of your life?

i. Totally unable to change my life

ii. Mostly unable to change my life

iii. Mostly able to change my life

iv. Totally able to change my life)

## Discussion

### The analysis of component the factors regarding job satisfaction

The data analysis in 5.5 indicated that with an increase in the length of education, the degree of satisfaction of people with higher educational attainment in their work gradually decreased in private companies. This also reflected what Mr Z (the executive supervisor in private company C) said in the interview as follows: “As a current private company, it is hard to recruit a large number of excellent technical workers as most of them choose to work in state-owned enterprises after graduation. On the contrary, it is easy to hire rural workers.” It is well known that job stability of regular staff who worked in units under ownership by the whole people (that is SOE) is good, and their wages are stable and their welfare is good; rarely are regular staff who worked in units under ownership by the whole people dismissed if they are not doing anything illegal. According to Maslow’s Hierarchy of Human Needs (Maslow 1943), which examined what actually motivated people to do the things they did, to behave in ways they behaved. Safety needs that included the need of security and shelter were one of the most important needs in Maslow’s Hierarchy of Needs. A post in a public sector such as an SOE could help to provide a sense of security and financial stability for people and gave a financially stable employment. Hence, notwithstanding opportunities available within the private sector, the trend showed a greater preference for the SOE when educational attainment was higher.

Moreover, when the researcher interviewed a business manager – Mr E who worked in a private company A in Rizhao city in Shandong Province he said: “We do not keep lazy people in our company.” The researcher, then, asked: “In what kind of situation do you dismiss employees?” He said: “When we find employees who do not adjust their work, we will tell them and dismiss them.” In contrast, rarely were regular staff who worked in public sector dismissed if they were not involved in illegal

activities. From this perspective, people with a higher educational attainment thought their career would be better developed in a state-owned enterprise. Their higher education could help them to obtain a better and stable job and open the door to a better job. If rural migrant workers or urban citizens' company was good, they could feel good about themselves as companies with a good reputation could give them a feeling of improved economic and social status in social communicating activities.

Through interviews, the researcher also found that people thought working in state-owned enterprises sounded good and gave them a feeling of honour. Through the study, the researcher knew that most rural migrant workers who were regular employees in the state-owned enterprise were graduates from universities or colleges and took up their jobs through a competitive process. They changed from "agricultural to non-agricultural" status because of their study in universities. In their social network, as others around had a social advancement in this company, rural migrant workers (with a higher educational attainment) could have social capital through socially communicating with them, (see "Job security in the state owned enterprise" in 5.2 (2) This is because: "...social capital that they can access and use through their social ties with others can positively influence their egos' status achievement and mobility on a hierarchical social ladder." (Lin 2001a: 19-20). Further, the volume of social capital possessed by an individual depended on both the size of the network of connections he or she could mobilize and on the volume of capital (for example, economic or cultural capital) possessed by each person to whom he or she was connected. Moreover, a work environment should allow a worker to enrich social capital if he or she worked in a larger firm, endured longer job tenure, held a higher status in terms of job supervision or often applied new ideas or skills at work. (Lin, Fu and Chen 2014). A 2012 Chinese University students employment report published by Chinese Academy of Social Science showed that after graduation, the job satisfaction of graduates who worked in government organisations/ research and public institutions was 69% and the job satisfaction of graduates who were self-employed or worked in private companies was 50% (Wen 2013).

In addition, people with a higher income, generally, had a higher satisfaction rate in their jobs. This would also help rural workers to adjust to city life.

## **An analysis of ways to improve social relations and mutual trust in organisations**

An analysis of the results also showed that people with a higher educational attainment agreed most people in the company could be trusted more. With the increase in the educational attainment, rural workers, especially those with junior college educational attainment such as that obtained from a vocational technical college, agreed most people who worked in the company could be trusted more in private companies. Rural workers with an executive post agreed most people in private companies can be trusted more than people in other type of jobs. The higher their post was, the easier they could build their social resources and relations to trust others and further be involved in urban society. From this, it was evident that enhancing the vocational skill training and cultivating skilful workers could help improve relations and mutual trust in their companies, which could further help their work performance and rural migrant workers' inclusion within urban society. This was similar to what the researcher found from interviewing the executive supervisor in private company C in Shandong Province, which was that: "in order to promote the inclusion of rural migrant workers in the urban communities, in addition to the routine safety education training, the company would increase input in professional knowledge training and education to help them make up for their lack of knowledge and to enhance their self-quality as soon as possible; the company also arranged for rural workers to follow urban experienced workers to learn work knowledge and habits and become skilled workers as soon as possible, adapting to urban life and rhythms." The researcher also found from interviewing company executives who worked in private company A in Shandong Province that they would start a technical training school in the company for employees' job skill training in the near future.

### **Section 5.6 – Interaction with respect to registration within the hukou system**

**This section proposes to assess interaction with respect to registration within the hukou system.**

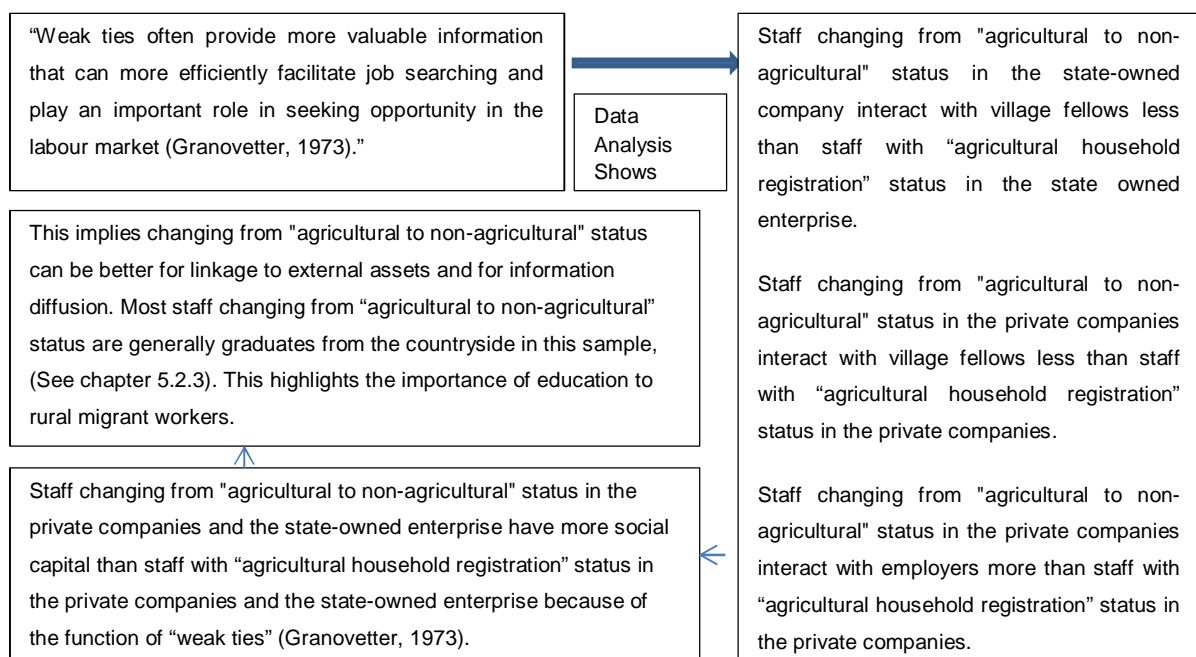
**The results arrived at one main conclusion:**



Graduates who were from the countryside could gain easier access to heterogeneous connections in companies. This highlighted the importance of education to rural migrant workers.

Lin (1982, 1989, 2001 *cited by* Kay and Johnston, 2007) showed that individuals acted instrumentally, by employing their social ties (especially more extended or “weak ties”) to gain occupational mobility. Granovetter argued that weak ties were bridged between individuals in different structural positions and often provided more valuable information that could more efficiently facilitate job searching and played an important role in seeking opportunities in the labour market (Granovetter 1973: 1378 *cited by* Edwards, *et al.*, 2007). Burt (1992) believed that social networks needed to be built efficiently. If a person’s social network was repetitive, the information he/she received would be identical. Duplicate information would cause low efficiency. Following this logic, rural migrant workers who maintained a loose network structure of different and less connected social contacts could thus benefit from having such information advantages and could get ahead of competitors in the labour market. See Figure 5.6. Therefore, these gave rise to question 1 and question 2 in section 4 in the questionnaire. For details see questions 1 and 2 in the questionnaire in section 4 in Appendix III.

**Figure 5.6** – A mind-map –summarising interaction with respect to registration within the hukou system



## Data analysis

**5.6.1 There was more interaction for staff changing from “agricultural to non-agricultural” status in private companies and the state owned enterprise.**

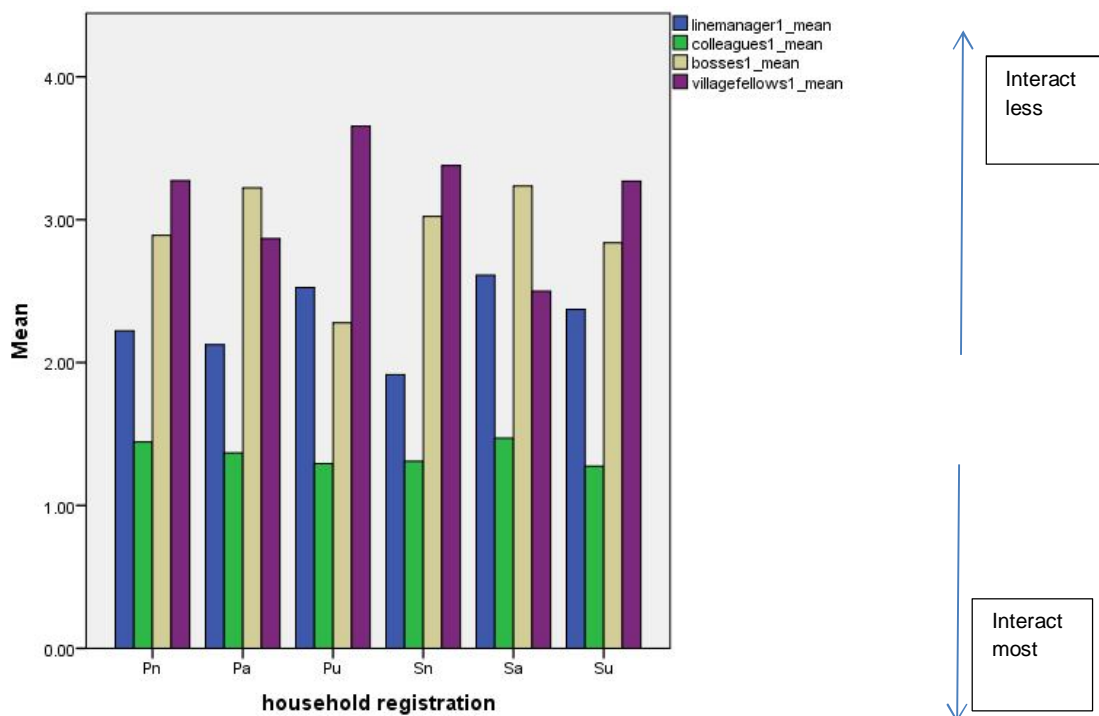
**5.6.1.1 The bonding social capital of the staff with “agricultural household registration” was high.**

The researcher considered question 1 (in section 4 of the questionnaire) together with household registration status.

(1. Please put the following group in the order in which you interact with them in your company, starting with 1 for whom you interact with most in your company through to 4 for whom you interact with least in your company?)

- |                     |                            |
|---------------------|----------------------------|
| i. Line managers    | <input type="checkbox"/>   |
| ii. Colleagues      | <input type="checkbox"/>   |
| iii. Bosses         | <input type="checkbox"/>   |
| iv. Village fellows | <input type="checkbox"/> ) |

**Figure 5.6.1.1** -The mean score concerning the dependent variable (“interaction in your company”) for people with a different household registration



Private companies:

Pn = staff changing from "agricultural to non-agricultural" status in the private companies

Pa = staff with “agricultural household registration” status in the private companies

Pu = urban citizen in the private companies

State owned company:

Sn = staff changing from "agricultural to non-agricultural" status in the state owned enterprise

Sa = staff with "agricultural household registration" status in the state owned enterprise

Su = urban citizen in the state owned enterprise

It was evident that staff with "agricultural household registration" status in the state owned enterprise interacted with village fellows more than with other groups of people. Staff changing from "agricultural to non-agricultural" status in the state-owned enterprise interacted with village fellows less than staff with "agricultural household registration" status in the state owned enterprise. Staff changing from "agricultural to non-agricultural" status in private companies interacted with village fellows less than with staff holding an "agricultural household registration" status in private companies. There was a significant difference in the median scores concerning dependent variable ("interaction with village fellows in your company") for groups of people with a different household registration. For the significance levels see Appendix I Figure A 42.

Further, staff changing from an "agricultural to non-agricultural" status in private companies interacted with employers more than staff with "agricultural household registration" status in private companies. For the significance levels see Appendix I Figure A 43.

#### **5.6.1.2 Bridging social capital for rural workers was higher in private companies.**

The researcher considered question 2 (in section 4 of the questionnaire) together with household registration status.

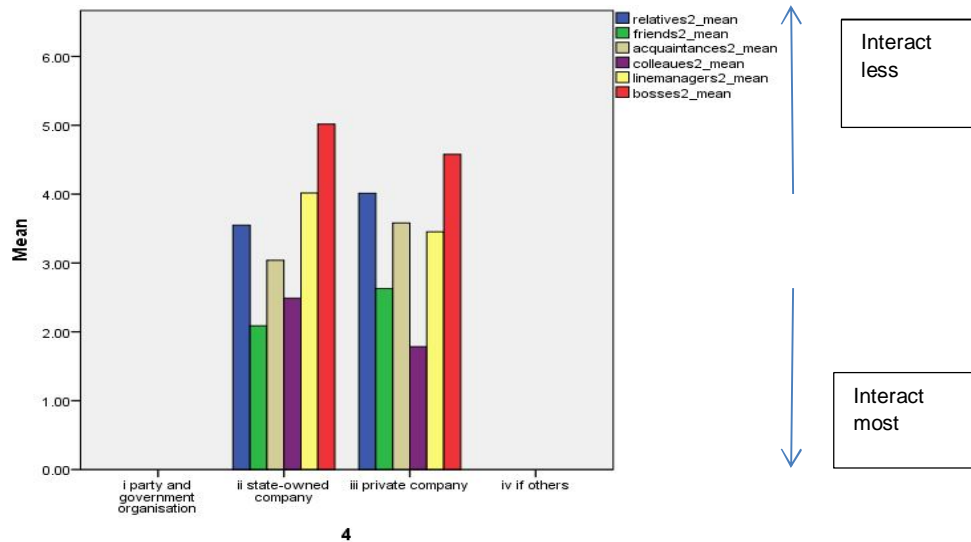
(2.Please rank the people you meet frequently in social contact, starting with 1 for high frequency through to 6 for low frequency.

- i. Relatives( except close family members)
- ii Friends
- iii Acquaintances
- iv. Colleagues
- v. Line managers
- vi. Bosses

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

)

**Figure 5.6.1.2** -The mean score on the dependent variable (“interaction in social contact”) for rural workers who worked in the state-owned enterprise and rural workers who worked in private companies



Rural workers who worked in the state owned enterprise interacted with friends and acquaintances more in their social contact than staff who worked in private companies. For significance levels see Appendix I Figure 44 and 45.

Rural workers who worked in private companies interacted with colleagues and line managers more in their social contact than staff who worked in the state-owned enterprise. For significance levels see Appendix I Figure 46 and 47. Overall bridging social capital was greater in private companies.

## Discussion

As described in the data analysis in 5.6, rural workers who worked in the state owned enterprise interacted with friends and acquaintances more in their social life than staff who worked in private companies. Rural workers who worked in private companies interacted with colleagues and line managers more in their social life than staff who worked in the state-owned enterprise. The more individuals interact, the more likely they are to share sentiments and the more they engage in collective activity. Likewise, the more individuals share sentiments, the more likely they are to interact and engage in activities. The basis of interaction is sentiment – affection, respect, sympathy, and liking for each other (Homan 1950 *cited by* Lin 2003).

Additionally, as described in chapter 5.4, interaction enabled people to build communities, to commit themselves to each other, and to knit the social fabric (Field 2003: 1-2). Following this logic, it was evident that there were more acquaintances and friends acting as resources in the social life of rural migrant workers who worked in the state-owned enterprise than in private companies; there are more colleagues and line managers acting as resources in their social life of rural migrant workers in private companies than in the state owned enterprise. However, as analysed in Chapter 5.2, an acquaintances' network belonged to the weak tie network and this did not necessarily bring about cohesion. Strong networks of acquaintances - bridging social capital could only be positively associated with leadership activities in companies when there was flexible employment and opportunities for promotion to all talents. In addition, according to the analysis in Chapter 5.2.3, it was important to prevent the formation of cliques in private companies, even though people who worked in private companies had more interaction with their line managers in their social life than people who worked in the state owned enterprise.

As described in Chapter 5.6, staff with "agricultural household registration" status in the state owned enterprise interacted with fellow villagers more than with other groups of people. Staff changing from an "agricultural to non-agricultural" status in the state-owned enterprise interacted with village fellows less than staff with "agricultural household registration" status in the state owned enterprise. Staff changing from "agricultural to non-agricultural" status in private companies interacted with village fellows less than staff with "agricultural household registration" status in private companies. It was even as Burt (1992) said: Duplicate information would cause low efficiency. If rural migrant workers often interacted with their village fellows, this was not good for them to build bridging social capital.

Further, staff changing from "agricultural to non-agricultural" status in private companies interacted with bosses more than staff with "agricultural household registration" status in private companies. These social ties which linked staff with bosses were weak ties. The strength-of-weak-ties theory was defined by American sociologist Granovetter. Weak ties often provided more valuable information (Granovetter 1973 *cited by* Edwards *et al.* 2007). Putnam suggested that the bridging social capital encompassed people across different social divides (Putnam

2000: 22). Bridging networks were better for linkage to external assets and for information diffusion. Moreover, bridging social capital could generate broader identities and reciprocity (Putnam 2000: 22). Bridging social capital was characterised by weak ties. In summary, staff changing from "agricultural to non-agricultural" status in private companies and the state-owned enterprise had more social capital than staff with "agricultural household registration" status in private companies and the state-owned enterprise. This implied that changing from "agricultural to non-agricultural" status could be better for linkage to external assets and for information diffusion. Additionally, most staff changing from "agricultural to non-agricultural" status were generally graduates who were from the countryside in this sample, (See chapter 5.2.3). This highlighted the importance of education to rural migrant workers as graduates who were from the countryside could gain easier access to heterogeneous connections.

### **Section 5.7 - Influences of pre-existing urban residents from different types of companies on the assimilation process of rural migrant workers and ways for employment for rural migrant workers**

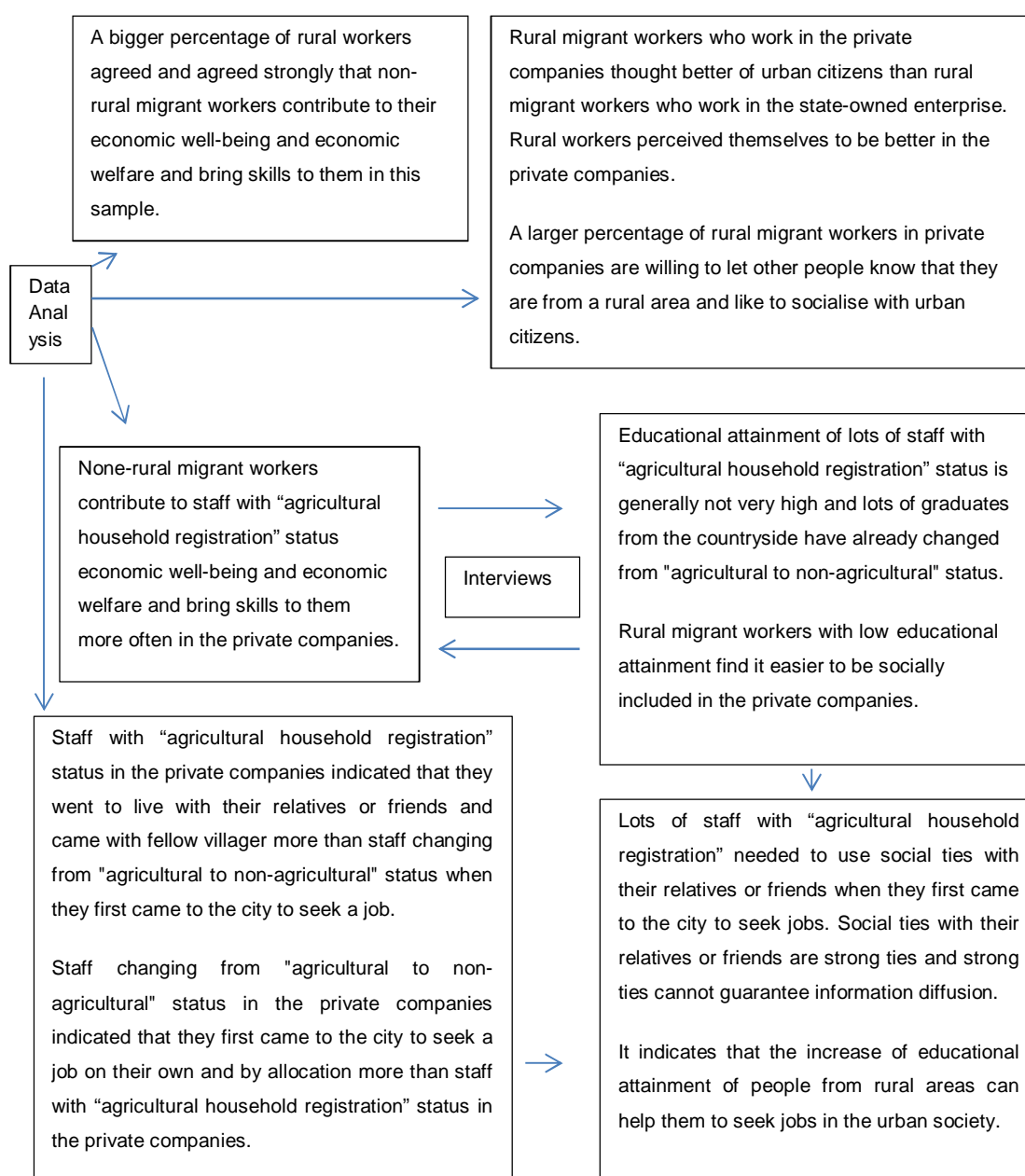
**This section proposes to assess the influence of pre-existing urban residents from different types of companies on the assimilation process of rural migrant workers; rural workers' self-assessment and the evaluation of urban citizens with respect to rural migrant workers; influences of household registration system on job opportunities and ways of seeking job opportunities for rural migrant workers.**

**The results arrived at three main conclusions:**

1. Non-rural migrant workers contribute the economic wellbeing and welfare of staff with "agricultural household registration" and bring skills to them more often in private companies than in the state owned enterprise.
2. Rural migrant workers who worked in private companies thought better of urban citizens than rural migrant workers who worked in the state-owned enterprise. Rural workers perceived themselves to be better off in private companies.

3. The increase of educational attainment of people from rural areas could help them seek jobs independently in an urban society.

**Figure 5.7** – A mind-map –summarising the influences of pre-existing urban residents and job opportunities



## Data Analysis

**5.7.1** Non-rural migrant workers contributed the economic wellbeing and welfare of staff with “agricultural household registration” and brought skills to them more often in private companies than in the state owned enterprise.

In order to analyse the process of assimilation and the influence of pre-existing urban residents, questions were also designed in the questionnaire as follows:

16. Do you think non-rural migrant workers contribute to your economic well-being and economic welfare and bring skills to you?

- i. Disagree strongly      ii. Disagree      iii. Agree      iv. Agree strongly

**Figure 5.7.1** - The responses of rural migrant workers from question 16

		Frequency	Valid Percent
Valid	1 Disagree strongly	5	1.7
	2 Disagree	72	24.7
	3 Agree	82	28.2
	4 Agree strongly	132	45.4
	Total	291	100.0

It was evident, Figure 5.7.1, that the percentage of rural workers who agreed and agreed strongly that non-rural migrant workers contributed their economic well-being and economic welfare and introduced skills to them was higher.

Staff with “agricultural household registration” status in private companies agreed that non-rural migrant workers contributed their economic well-being and economic welfare and introduced skills to them more often than those who disagreed. Non-rural migrant workers contributed the economic wellbeing and welfare of staff with “agricultural household registration” and brought skills to them more often in private companies than in the state owned enterprise. The mean rank indicated which group could receive more help from non-rural migrant workers. Namely, the group with the highest mean rank. The Kruskal – Wallis test was being used here.

For the significance levels see Appendix I Figure A 48.

**5.7.2 Rural workers, who agreed and agreed strongly that non-rural migrant workers contributed their economic welfare and brought skills to them, were assisted in learning skills from non-rural migrant workers.**

For the responses from question 17 see Appendix I Figure A 49. Most respondents, who agreed and agreed strongly that non-rural migrant workers contributed their economic welfare and brought skills to them, were assisted in learning skills from non-rural migrant workers. (17. If your answer was agree or agree strongly, how did non-rural migrant people



contribute to your economic well-being and economic welfare and bring skills to you? Please provide a description\_\_\_\_\_)

### 5.7.3 The evaluation of urban citizens and rural workers' self-assessment

#### 5.7.3.1 The evaluation of urban citizens by rural workers

The researcher analysed Question 34 (in Section 2 of the questionnaire) together with company types.

(34. What comments do you make about urban citizens?

i. Low moral standards	-5	-4	-3	-2	-1	1	2	3	4	5	High moral standards
ii. Intolerant	-5	-4	-3	-2	-1	1	2	3	4	5	Tolerant
iii. Hostile	-5	-4	-3	-2	-1	1	2	3	4	5	Friendly
iv. Unsupportive	-5	-4	-3	-2	-1	1	2	3	4	5	Supportive
v. Inhospitable	-5	-4	-3	-2	-1	1	2	3	4	5	Welcoming
vi. Arrogant	-5	-4	-3	-2	-1	1	2	3	4	5	Humble
vii. Lazy	-5	-4	-3	-2	-1	1	2	3	4	5	Endure hardship and work hard
viii. If other, please provide a description_____ )	-5	-4	-3	-2	-1	1	2	3	4	5	

**Figure 5.7.3.1** - The mean score on dependent variables (“moral standards”, “tolerance”, “friendliness”, “supportiveness”, “hospitality”, “humility”, “diligence”) for rural workers who worked in the state-owned enterprise and rural workers who worked in private companies

#### Report

4		34 morality	I tolerance	lii friendliness	Iv supportiveness	V hospitality	Vi humility	Vii diligence
ii state-owned company	Mean	.45	.47	.11	.35	.11	-.04	.05
	N	66	66	66	66	66	67	66
iii private company	Mean	1.16	1.13	1.34	1.13	.84	.56	.71
	N	233	230	230	232	230	229	231
Total	Mean	1.00	.98	1.07	.95	.68	.43	.56
	N	299	296	296	298	296	296	297

It was evident from Figure 5.7.3.1, that rural migrant workers who worked in private companies thought better of urban citizens than rural migrant workers who worked in the state-owned enterprise. Rural migrant workers set a high value on urban citizens in private companies more than in the state owned enterprise.

#### 5.7.3.2 Rural workers' self-assessment

The researcher considered Question 33 (in Section 2 of the questionnaire) together with company types

(33. What comments do you think urban citizens make about rural migrant workers? Please answer all statements and for each one you can select any number from -5 to 5.

i. Low moral standards	-5	-4	-3	-2	-1	1	2	3	4	5	High moral standards
ii. Intolerant	-5	-4	-3	-2	-1	1	2	3	4	5	Tolerant
iii. Hostile	-5	-4	-3	-2	-1	1	2	3	4	5	Friendly
iv. Unsupportive	-5	-4	-3	-2	-1	1	2	3	4	5	Supportive
v. Inhospitable	-5	-4	-3	-2	-1	1	2	3	4	5	Welcoming
vi. Arrogant	-5	-4	-3	-2	-1	1	2	3	4	5	Humble
vii. Lazy	-5	-4	-3	-2	-1	1	2	3	4	5	Endure hardship and work hard
viii. If other, please provide a description_____ )	-5	-4	-3	-2	-1	1	2	3	4	5	

**Figure 5.7.3.2** - The mean score relating to the dependent variable (“self-perceived moral standards”, “self-perceived tolerance”, “self-perceived friendliness”, “self-perceived supportiveness”, “self-perceived hospitality”, “self-perceived humility”, “self-perceived diligence”) for rural workers who worked in the state-owned enterprise and rural workers who worked in private companies.

#### Report

4		33 morality	li tolerance	lii friendliness	lv supportiveness	v hospitality	vi humility	vii diligence
ii state-owned enterprise	Mean	1.35	1.32	1.29	1.68	1.23	1.43	2.27
	N	65	65	65	65	66	65	59
iii private company	Mean	1.62	1.58	1.55	2.01	1.34	1.64	2.74
	N	230	231	227	230	234	233	226
Total	Mean	1.56	1.52	1.49	1.94	1.32	1.60	2.64
	N	295	296	292	295	300	298	285

It is evident, Figure 5.7.3.2, rural workers perceived better of themselves in private companies. This reflected rural migrant workers’ self-affirmation. The extent of rural migrant workers’ self-affirmation in private companies was greater. The feeling of self-approval could contribute to their sense of well-being.

Chapter 5.7.3 indicated that rural migrant and urban workers had more positive attitudes to each other in private companies rather than in the SOE.

**5.7.4 A larger percentage of rural migrant workers (97.87%) in private companies were willing to let other people know that they were from a rural area.**

The analysis of question 35 (in section 2 in the questionnaire) is as follows: 35. Are you willing to let other people know that you are from a rural area? i. Yes ii. No

A larger percentage of rural migrant workers (97.87%) in private companies were willing to let other people know that they were from a rural area. For details see Appendix I Figure A 50.

**5.7.5 A larger percentage of rural migrant workers (79.64%) in private companies liked to socialise with urban citizens.** (There was more bridging social capital in private companies.)

The analysis of question 38 (in section 2 in the questionnaire) is as follows: 38. I like to socialise with urban citizens? i. Yes ii. No

A larger percentage of rural migrant workers (79.64%) in private companies liked to socialise with urban citizens. For details see Appendix I Figure A 51.

**5.7.6 Job opportunities**

**5.7.6.1 How did rural workers first come to the city to seek a job?**

(11. How did you first come to the city to seek a job? PLEASE GIVE ONE ANSWER ONLY

- i. On your own ii. Went to live with your relatives or friends
- iii. Came with a fellow- villager iv. Guided by a fellow-villager who lives in the city
- v. Job assignment on graduation vi. Village is located in the city )

**Figure 5.7.6.1 - The responses of rural migrant workers from question 11**

	Frequency	Valid Percent
1	78	34.4
2	62	27.3
3	48	21.1
4	11	4.8
5	21	9.3
6	6	2.6
7	1	.4
Total	227	100.0

It was evident from Figure 5.7.6.1, that most rural migrant workers, in this sample, first came to the city to seek a job on their own or by going to live with their relatives or friends or coming with their relatives or friends.

Further, the percentage of staff with “agricultural household registration” status in private companies indicated that they went to live with their relatives or friends and came with fellow villager more than staff changing from "agricultural to non-agricultural" status when they first came to the city to seek a job. The percentage of staff changing from "agricultural to non-agricultural" status in private companies indicated that they first came to the city to seek a job on their own and by allocation more than staff with “agricultural household registration” status in private companies. For details see Appendix I Figure A 52.

#### 5.7.6.2 How did rural workers find their first job?

This was taken from question 12.

12. How did you find your first job? PLEASE GIVE ONE ANSWER ONLY AND CIRCLE THE APPROPRIATE NUMBER

i. Media advertisement ii. Outdoor advertising iii. Labour force market iv. Employment agency  
v. Direct application vi. Introduced by relatives or friends in the city vii. Introduced by acquaintances viii. Introduced by a fellow- villager who came to the city earlier than you. ix. Job assignment on graduation

**Figure 5.7.6.2 - The responses of rural migrant workers from question 12**

	Frequency	Valid Percent
1	14	4.3
2	13	4.0
3	57	17.7
4	32	9.9
5	93	28.9
6	56	17.4
7	14	4.3
8	23	7.1
9	20	6.2
Total	322	100.0

Therefore, it became evident that direct application/ recruitment, labour force market and being introduced by relatives and friends in the city were the most frequent ways for rural migrant workers to find jobs. Further, rural migrant workers changing from "agricultural to non-agricultural" status who worked in private companies often found jobs through direct application/recruitment, the labour force market and through an employment agency. Rural migrant workers with "agricultural household registration" status who worked in private companies often found jobs through direct application/recruitment, introduction by relatives and friends, the labour force market and being introduced by a fellow- villager who came to the city earlier than they did. (the process of assimilation). Rural migrant workers changing from "agricultural to non-agricultural" status who worked in the state-owned enterprise often found jobs through the labour force market, introduction by relatives and friends and direct application/recruitment in the city in this sample. Rural migrant workers with "agricultural household registration status" often found jobs through employment agencies, being introduced by relatives and friends in the city and the labour force market. For details see Appendix I Figure A 53.

## **Discussion**

### **The influence of pre-existing urban residents in different types of companies on the assimilation process of rural migrant workers**

As described in Chapter 5.7.1 and 5.7.2, there was a bigger percentage of rural workers (73.6%) who agreed and agreed strongly that non-rural migrant workers contributed to their economic well-being and economic welfare and introduced skills to them. Most rural workers, who agreed and agreed strongly that non-rural migrant workers contributed their economic well-being and economic welfare and introduced skills to them, were assisted in learning skills from non-rural migrant workers.

Non-rural migrant workers contributed the economic wellbeing and welfare of staff with "agricultural household registration" and brought skills to them more often in private companies than in the state owned enterprise. This resembled what was analysed in Chapter 6.5. Educational attainment of many staff with "agricultural

household registration” status was generally not very high and many graduates who were from the countryside had already changed from "agricultural to non-agricultural" status. Rural migrant workers with low educational attainment found it easier to be socially included in private companies.

### **Rural workers’ self-assessment and the perception of urban citizens towards rural migrant workers**

The data analysis in 5.7.3 showed that rural migrant workers who worked in private companies thought better of urban citizens than rural migrant workers who work in the state-owned enterprise. Rural workers perceived themselves to be better off in private companies. The data analysis in Chapter 5.7.4 revealed a larger percentage of rural migrant workers (97.87%) in private companies were willing to let other people know that they were from a rural area. The data analysis in 5.7.5 also showed a larger percentage of rural migrant workers (79.64%) in private companies liked to socialise with urban citizens. When people felt good, they tended to open up and reach out. They provided the basis for positive social interactions. They felt more positive about situations and other people – generous and open to seeing other possibilities (Hasson 2014). As was analysed before, private companies’ flexible recruitment systems could contribute to friendship between rural migrant workers and urban citizens as there were more opportunities for rural migrant workers to communicate with urban citizens. They could learn from each other.

### **Ways of seeking job opportunities for rural migrant workers**

Staff with “agricultural household registration” status in private companies indicated that they went to live with their relatives or friends and came with fellow villagers more than staff changing from "agricultural to non-agricultural" status when they first came to the city to seek a job. Staff changing from "agricultural to non-agricultural" status in private companies indicated that they first came to the city to seek a job on their own and by allocation more than staff with “agricultural household registration” status in private companies, (See 5.7.6.1). In addition, data analysis also showed that rural migrant workers changing from "agricultural to non-agricultural" status who worked in private companies often found jobs through direct application/recruitment,

the labour force market and employment agencies. Rural migrant workers with “agricultural household registration” status who worked in private companies often found jobs through direct application/recruitment, introduction by relatives and friends, the labour force market and introduction by fellow- villagers who had come to the city earlier. As many staff changing from "agricultural to non-agricultural" status in private companies were graduates in this sample. Accordingly, it was evident from the data analysis that they had more initiative to directly apply for jobs. However, comparatively, in respect of educational attainment many staff with “agricultural household registration” status was generally not high, many staff with “agricultural household registration” in this sample needed to use social ties with their relatives or friends when they first came to the city to seek jobs. Social ties with their relatives or friends were strong ties and strong ties could not guarantee information diffusion. It indicated that an increase in educational attainment of people from rural areas could help them to seek jobs independently in urban society.

Direct application/ recruitment, the labour force market and introduction by relatives and friends in the city were the most frequent ways for rural migrant workers to find jobs. The researcher also found from interviewing the executive-Mr B in private company B in Shandong Province, the boss-Mr W and the executive supervisor-Mr C in private company C in Shandong Province and the business manager-Mr E who worked in private company A in Shandong Province that there were several recruitment fairs for labour markets every year and they went to these recruitment fairs to recruit skilled workers every year; however, web advertisements were the most convenient way to recruit employees for private companies. Further, if workers were in a short supply, a good way to employ people was through introductions by their workers and normally these people were the relatives and friends of their workers.

## **5.8 - Identify the motivation of rural migrants moving to urban communities**

**This sub-chapter proposes to identify the motivation of rural migrants moving to urban communities.**

**The results arrived at four main conclusions:**

1. Basic infrastructure in rural areas remained inadequate. Good job, better life, good working conditions, and better living environment, better welfare and higher incomes were also important reasons why they moved to the city.
2. Urbanisation could contribute to the development of rural areas' basic infrastructure and then the improvement in rural infrastructure and people's living standards in rural areas would contribute to rural workers' educational attainment and could give them more confidence to migrate to cities.
3. Many peasants who had been compensated for their land which had been acquired for urbanisation found it hard to restart their careers in cities. They found this transition difficult. Rural migrant workers in the city with lower educational attainment felt they lagged behind urban workers in many respects.
4. With an increase in the length of education, rural migrant workers would be more urbanised. Especially, rural workers with junior college educational attainment such as that obtained from a vocational technical college were the most urbanised. Additionally, with the increase in the length of education, rural migrant workers liked to work in the city more.

This sub-chapter found out that compared with families from a farming background who remained in their hometowns, the economic condition of a large percentage of families of rural migrant workers (51.3%) was marginally better. 26.95% of rural workers indicated that their economic condition was no better no worse. A larger percentage of rural migrant workers (49.19%) believed their social status was now a little bit higher in the city. 15.45% of rural migrant workers thought their social status was up a great deal. 32.52% of rural workers considered their social status was unchanged. Only 1.22% of rural workers felt their social status was down a bit in the city. The most important motivation for rural migrant workers to come to cities was for the improved opportunities they offered. It was found that people in rural areas longed for urban life. In comparative terms, they found that job opportunities and career prospects in cities far out-weighed those in the rural communities (see 5.8.10). Good job, better life, good working conditions, and better living environment, better welfare and higher incomes were also important reasons why they moved to the city (See 5.8.1.1). People with lower educational attainment came to the city



because of economic stress, such as poverty, and lack of housing and support for study. “Following suit”, “housing support” and “study support” were more important drivers motivating males to migrate to the city when compared with females.

However, rural migrant workers felt they did not have a high enough educational attainment and could not compete with urban citizens so they preferred to make friends with village fellows, (see 5.8.10). Similarly, Ao (2007) explored the issue of homophily and heterophily as contained in the position generator. She revealed that disadvantaged groups were highly inbred and constrained in the formation of social ties (Ao 2007 *cited by* Lin *et al.* 2014). However, seeking internal support would not help shorten psychological distance between rural migrant workers and urban citizens. (see 5.8.11). This also explains the reason why a larger percentage of rural migrant workers (68.2%) remained constantly aware of the differences between living in the countryside and cities. Furthermore, in terms of rural migrant workers’ attitudes about their life in the city, a larger percentage of rural migrant workers (58.9%) often noticed differences between people from the countryside and from the cities, (See 5.8.9.5). A large percentage of rural migrant workers (52.09%), in this sample, considered themselves partly urbanised. 34.41% of rural migrant workers regarded themselves as still rural. Rural migrant workers who regarded themselves as still rural (52.63%), nevertheless, indicated their preference to be considered urban by urban citizens.

People with a higher educational attainment, especially, those of junior college educational attainment, had more confidence than people with lower educational attainment when they migrated to the city. With an increase in the length of education, rural workers would become more urbanised. Especially, rural workers with junior college educational attainment such as that obtained from a vocational technical college, were the most urbanised. Generally, with an increase in the length of education, rural migrant workers liked to work in the city more.

For details see the following quantitative data analysis and interview analysis

## **Data analysis**

## Analysis of the questionnaire data

### 5.8.1 The analysis of reasons why rural workers migrate to cities

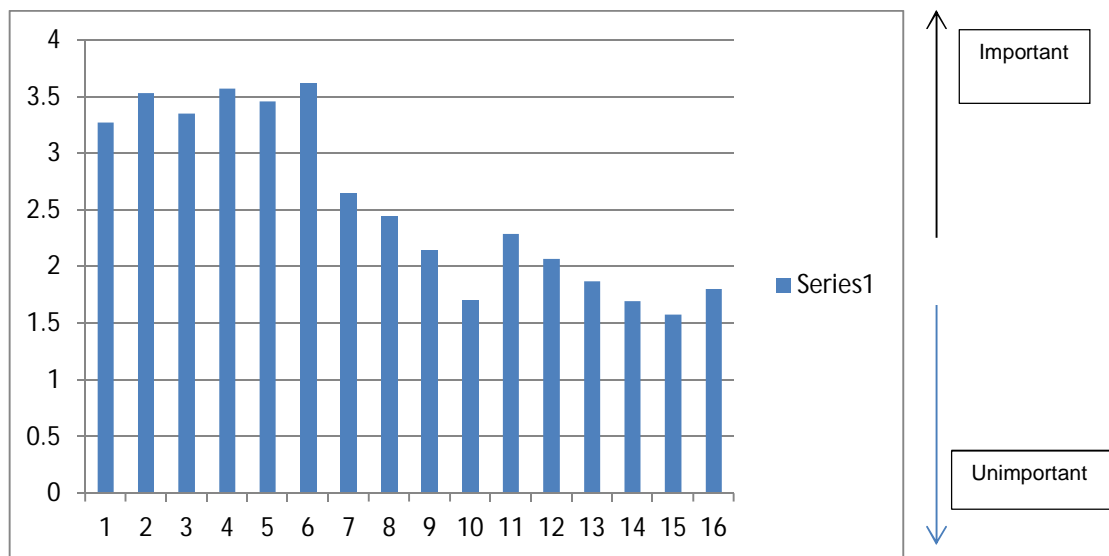
#### 5.8.1.1 – The important reasons why rural workers migrate to the city.

The analysis of question 18:

18. Below are a number of statements regarding reasons may have come to the city. Please answer all statements and for each one you can select any number from 0 for reasons you think are unimportant to 5 for reasons you think are extremely important.

		Unimportant	Important				Extremely Important
i.	High income	0	1	2	3	4	5
ii.	Better life	0	1	2	3	4	5
iii.	Better welfare	0	1	2	3	4	5
iv.	Good job	0	1	2	3	4	5
v.	Good working and living Environment						
		0	1	2	3	4	5
vi.	Good opportunity	0	1	2	3	4	5
vii.	Farming is too hard and I cannot earn very much from farming	0	1	2	3	4	5
viii.	Get used to working in the city and the city lifestyle	0	1	2	3	4	5
ix.	Nothing to do in the countryside	0	1	2	3	4	5
x.	Hometown is too poor	0	1	2	3	4	5
xi.	Prefer city life to country life	0	1	2	3	4	5
xi.	Do not know how to farm as we were predisposed towards study	0	1	2	3	4	5
xiii.	Earn money to support family members to study	0	1	2	3	4	5
xiv.	Earn money to build a house in the countryside	0	1	2	3	4	5
xv.	Other people all go to work in the city	0	1	2	3	4	5
xvi.	People think we should go to city to seek development	0	1	2	3	4	5
xvii.	If other, please provide descriptions_____						

**Figure 5.8.1.1 - The responses of rural migrant workers to question 18**



It was evident that the most important drivers motivating rural migrant workers to migrate to cities were good opportunities. Good job, better life, good working and living environment and better welfare and high incomes were also important reasons why they came to the city.

#### **5.8.1.2 How does educational attainment influence drivers motivating rural migrant workers to migrate to cities?**

The researcher considered question 18 together with different educational attainment.

With an increase in the length of education, people considered that opportunity, income, better life, better welfare, good job, no knowledge of farming were the more important reasons for them to come to the city. Compared with people with higher educational attainment, those with lower educational levels thought that lack of housing support, study support and poverty were more important drivers motivating them to migrate to the city than people with higher educational attainment. For details see Appendix I figure A54.

### 5.8.1.3 How does gender influence drivers motivating rural migrant workers to migrate to cities?

The researcher considered question 18 together with gender.

For the mean scores concerning dependent variables for female and male see Appendix 1 figure A55.

There was a significant difference in the median scores relating to the dependent variable (“follow suit”) for male and female. For the significance levels see Appendix 1 Figure A 56. Males thought to “follow suit” a more important driver motivating them to migrate to the city than females. There was also a significant difference in the median scores on dependent variables (“housing support”; “study support”) between males and females. For significance levels see Appendix I Figure A 57 and A 58. Males believed that “housing support” and “study support” were more important drivers motivating them to migrate to the city than females.

### 5.8.2 To what extent have rural workers achieved their aims in the city?

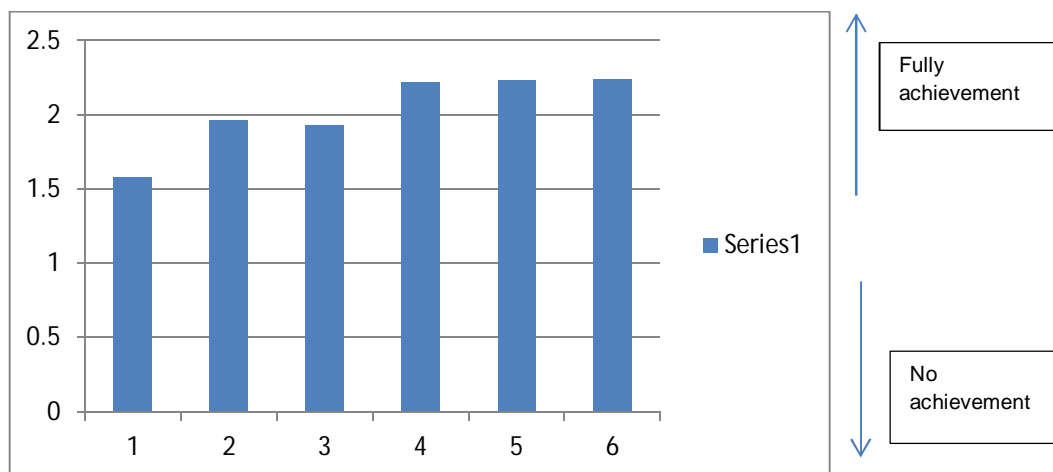
This was taken from question 19:

19. To what extent have you achieved your aims in the city? Please read each one and indicate whether you achieved or did not achieve it by ticking one box for each statement. Please answer all statements and for each one you can select any number from 0 for the statements you did not achieve to 5 for statements you achieved fully.

		No Achievement	Achievement				Full Achievement
i.	High Income	0	1	2	3	4	5
ii.	Better Life	0	1	2	3	4	5
iii.	Better welfare	0	1	2	3	4	5
iv.	Good job	0	1	2	3	4	5
v.	Good working and living environment	0	1	2	3	4	5
vi.	Good opportunity	0	1	2	3	4	5

#### 5.8.2.1 The extent to which rural workers had achieved their aims in the city

**Figure 5.8.2.1** - The responses of rural migrant workers to question 19



The extent that rural migrant workers had achieved good opportunities, good jobs and a good working and living environment in the city was greater. It meant that there were good opportunities, good jobs and a good working and living environment in the city.

Further, comparatively, a large percentage of rural migrant workers (35.1%) had not achieved a high income in the city. Only a small percentage of rural migrant workers (11.1%) had not achieved good jobs in the city. It further implied there were many job opportunities in the city. In addition, only a small percentage of rural migrant workers (12.7%) had not achieved a good working and living environment in the city. A large percentage of rural migrant workers had achieved good opportunities in the city. For details see Appendix I A 59.

### 5.8.3 To what extent do rural workers believe they will achieve their hopes for the future?

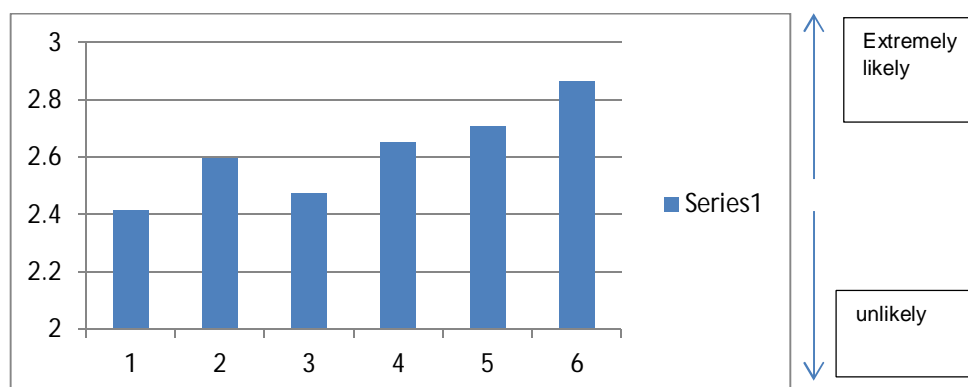
This was taken from question 20:

20. Following responses to question 18 and question 19, to what extent do you believe you will achieve your hopes for the future? Please answer all statements and for each one you can select any number from 0 for factors you think are unlikely to 5 for factors you think are extremely likely.

How do you think are unlikely to 6 for factors you think are extremely likely.		Unlikely	Likely			Extremely Likely	
i.	High Income	0	1	2	3	4	5
ii.	Better Life	0	1	2	3	4	5
iii.	Better welfare	0	1	2	3	4	5
iv.	Good job	0	1	2	3	4	5
v.	Good working and living environment	0	1	2	3	4	5
vi.	Good opportunity	0	1	2	3	4	5

### 5.8.3.1 The extent to which rural workers believed they would achieve their hopes for the future

**Figure 5.8.3.1** - The responses of rural migrant workers to question 20



There was a great belief that rural migrant workers would have good opportunities in the future in the city. Only a very small percentage of rural migrant workers did not believe they would achieve a “better life”, “better welfare”, “good jobs” and a “good working and living environment” in the city in the future. For details see Appendix I A 60.

### 5.8.3.2 How did educational attainment influence rural workers’ hopes for their achievement in the city in the future?

With an increase in the length of education, rural migrant workers had more hopes in the city for their future. For details see Appendix I A61.

## 5.8.4 Rural workers’ motivation to stay in the city

Question 21 asked:

21. Given what you have achieved so far, what is your current motivation that keeps you here? Do you stay in the city because\_\_\_\_\_?

- 1.3.1 My future is in the city.
- 1.3.2 The option to go to the countryside is not available to me.
- 1.3.3 I do not want to go back.
- 1.3.4 I am willing to consider the option to return to the countryside.
- 1.3.5 If other, please provide a description\_\_\_\_\_.

### 5.8.4.1 A larger percentage of rural migrant workers (56.49%) thought their future was in the city.

**Figure 5.8.4.1** - The responses of rural migrant workers to question 21

	Frequency
1	174
2	29
3	45
Valid 4	54
5	6
v. if going back, nothing to do	1
Total	308

It was evident, from Figure 5.8.4.1, that a larger percentage of rural migrant workers (56.49%) thought their future was in the city.

### **5.8.5 Rural workers' self-perceived ID as urban or rural and the analysis of reasons for this**

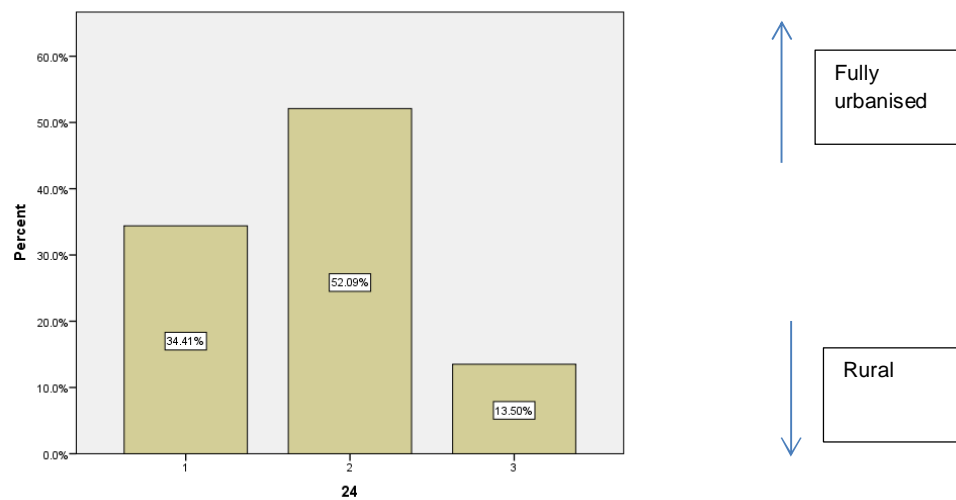
#### **5.8.5.1 Rural workers' self-perceived ID**

This was determined from answers to question 24:

24. How do you position yourself?      i. Rural      ii. Partly Urbanised      iii. Fully Urbanised

#### **5.8.5.1.1 - A larger percentage of rural migrant workers (52.09%) in the sample positioned themselves as partly urbanised.**

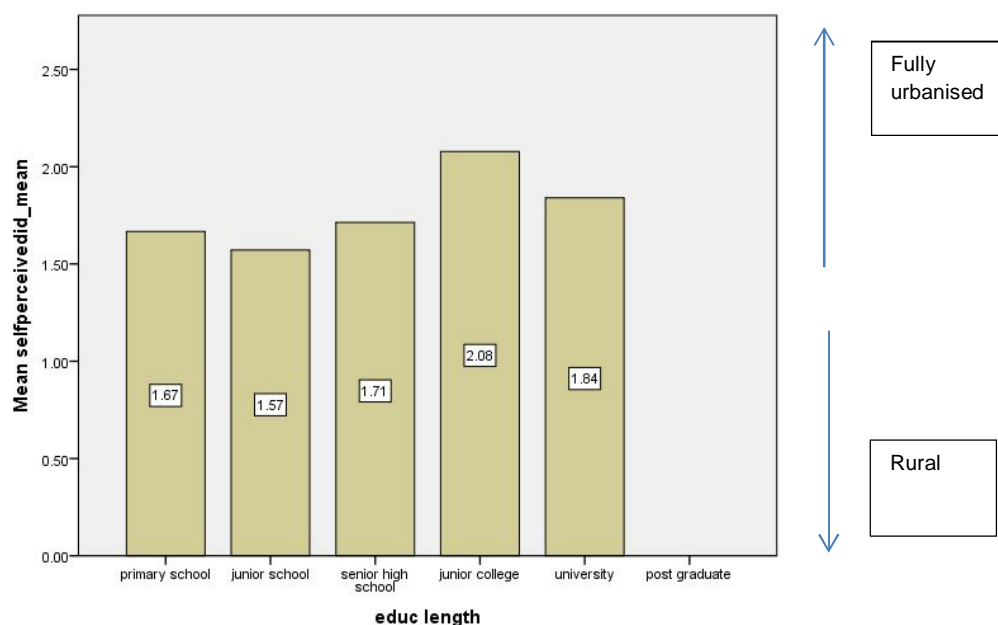
**Figure 5.8.5.1.1** - The responses of rural migrant workers to question 24



A larger percentage of rural migrant workers (52.09%) from the sample positioned themselves as partly urbanised. For details see Appendix I A 62.

#### 5.8.5.1.2 How did educational attainment influence rural workers' self-perceived ID?

**Figure 5.8.5.1.2** - The mean score relating to the dependent variables ("self-perceived ID") for groups of rural workers with different educational attainment.



With an increase in the length of education, rural workers would be more urbanised. There was also a significant difference in the median scores on the dependent variable ("self-perceived ID") for groups of rural workers with different educational



attainment. Especially, rural workers with a junior college educational attainment such as that obtained from a vocational technical college were the most urbanised. For the significance levels see Appendix I figure A63.

**5.8.5.2 – The reasons why some rural workers regarded themselves as still rural or partly urbanised**

Question 25 asked:

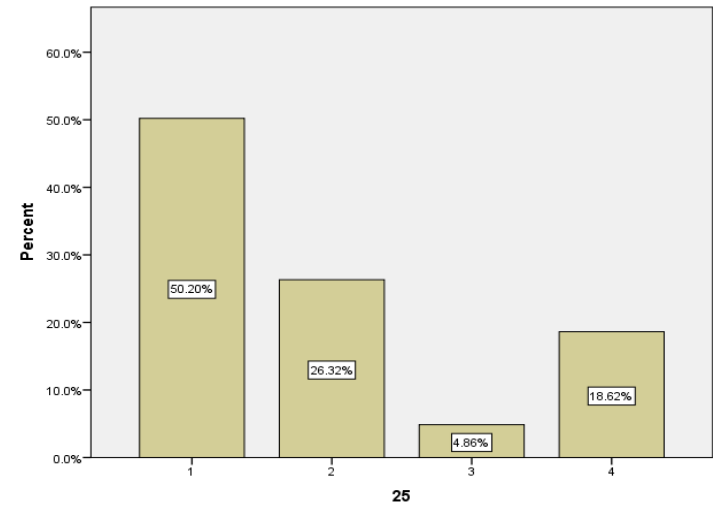
In the questionnaire, if your answer is rural, please answer questions 25 and 26.

25. Why do you think that you regard yourself as still rural or partly urbanised?

- i. My roots are in the countryside
- ii. Family members and relatives live in the countryside
- iii. Urban citizens perceive me as rural
- iv. Agricultural household registration

**5.8.5.2.1 - A larger percentage of rural migrant workers (50.20%) who regarded themselves as still rural or partly urbanised indicated that their roots were in the countryside.**

**Figure 5.8.5.2.1 - The responses of rural migrant workers who regarded themselves as still rural or partly urbanised to question 25**



A larger percentage of rural migrant workers who regarded themselves as still rural or partly urbanised indicated that their roots were in the countryside. For details see Appendix I Figure A64.

#### 5.8.5.2.2 – How did educational attainment influence the reasons why some rural workers regarded themselves as still rural or partly urbanised?

**Figure 5.8.5.2.2** - The percentage relating to the dependent variables (1.“My roots are in the countryside”; 2.“Family members and relatives live in the countryside”; 3.“Urban citizens perceive me as rural”; 4.“ Agricultural household registration”) for groups of rural workers with different educational attainments who considered themselves still rural or partly urbanised.

**Figure 5.8.5.2.2** – Cross-tabulation of education lengths against years for considering themselves rural

			25				Total
			1	2	3	4	
educ length	primary school	Count	0	2	0	1	3
		% within educ length	0.0%	66.7%	0.0%	33.3%	100.0%
	junior school	Count	30	18	1	12	61
		% within educ length	49.2%	29.5%	1.6%	19.7%	100.0%
	senior high school	Count	36	17	8	16	77
		% within educ length	46.8%	22.1%	10.4%	20.8%	100.0%
	junior college	Count	22	16	2	8	48
		% within educ length	45.8%	33.3%	4.2%	16.7%	100.0%
university	Count	27	11	0	6	44	
	% within educ length	61.4%	25.0%	0.0%	13.6%	100.0%	
Total	Count	115	64	11	43	233	
	% within educ length	49.4%	27.5%	4.7%	18.5%	100.0%	

It was evident that with a decrease in educational attainment, more rural migrant workers believed that agricultural household registration was the reason why they regarded themselves as still rural.

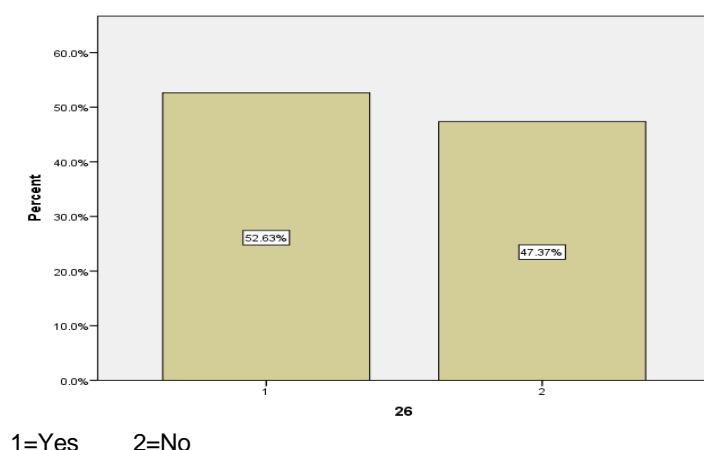
#### 5.8.6 – Willing to review you were from country – would rural migrant workers like to be considered urban? together with an analysis of reasons for this.

Question 26 asked:

26. Would you like others to change your status from being rural? i. Yes ii. No

**5.8.6.1 More rural migrant workers who regarded themselves as still rural or partly urbanised (52.63%) indicated their preference to be considered urban by urban citizens.**

**Figure 5.8.6.1** - The responses of rural migrant workers who regarded themselves as still rural or partly urbanised to question 26



More rural migrant workers who thought they are still rural or partly urbanised (52.63%) indicated their preference to be considered urban by urban citizens. For details see Appendix I A65.

#### **5.8.6.2 The reasons why some rural workers regarded themselves as still rural or partly urbanised**

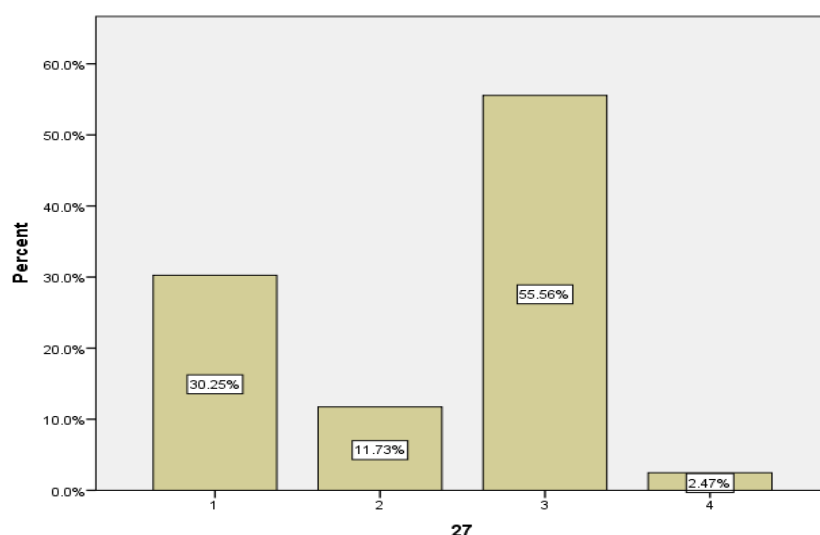
Question 27 asked:

27. Why would you not like to change your perceived status of being rural?

- i. My roots are in the countryside
- ii. At ease with country style
- iii. It does not matter if I am rural or not
- iv. Do not like to be perceived as a city person
- v. If other, please provide a description\_\_\_\_\_

**5.8.6.2.1 - A larger percentage of rural migrant workers who would not like to change their perceived status of being rural indicated that it did not matter if they were rural or not (55.56%).**

**Figure 5.8.6.2.1** -The responses of rural migrant workers who regarded themselves as still rural or partly urbanised to question 27



A larger percentage of rural migrant workers who would not like to change their perceived status of being rural indicated that it did not matter if they were rural or not (55.56%). For details see Appendix I A66.

In summary, in this sample, most rural migrant workers were partly urbanised and many of them indicated that their future was in the city.

### 5.8.7 Would rural migrant workers who regarded themselves as still rural or partly urbanised like to return to the countryside to work or to continue working in the city?

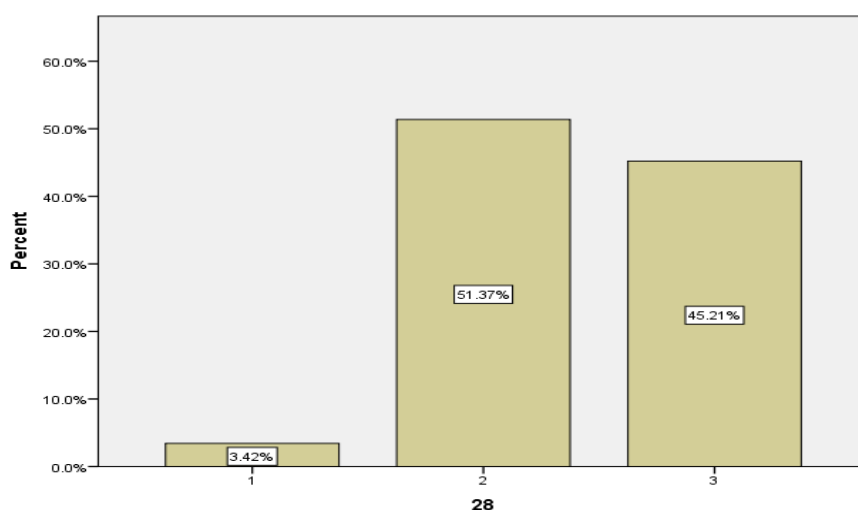
This was determined from answers to question 28.

28. Would you like to return to the countryside to work, to promote the enlargement of the township in the countryside and to contribute to the construction of a new countryside or to continue to work in the city?

- i. Return to the countryside to work
- ii. Work in the city
- iii. It does not matter to me

#### 5.8.7.1 – A larger percentage of rural workers who felt they were still rural or partly urbanised (51.37%) would like to continue working in the city.

**Figure 5.8.7.1** - The responses of rural migrant workers who regarded themselves as still rural or partly urbanised to question 28.



From Figure 5.8.7.1, it was evident that only a very small percentage of rural migrant workers would like to return to the countryside to work. For details see Appendix I A67.

#### 5.8.7.2 How did educational attainment influence the choices of rural workers who regarded themselves as still rural or partly urbanised to return to countryside to work or to continue working in the city?

**Figure 5.8.7.2** - The percentage on the dependent variables (“Return to countryside to work”; “Work in the city”; “It does not matter to me”) for groups of rural workers with different educational attainments

educ length \* 28 Crosstabulation

			28			Total
			1	2	3	
educ length	primary school	Count	0	3	0	3
		% within educ length	0.0%	100.0%	0.0%	100.0%
	junior school	Count	6	30	38	74
		% within educ length	8.1%	40.5%	51.4%	100.0%
	senior high school	Count	3	39	35	77
		% within educ length	3.9%	50.6%	45.5%	100.0%
	junior college	Count	1	46	30	77
		% within educ length	1.3%	59.7%	39.0%	100.0%
	university	Count	0	22	24	46
		% within educ length	0.0%	47.8%	52.2%	100.0%
	Total	Count	10	140	127	277
		% within educ length	3.6%	50.5%	45.8%	100.0%

Generally, with an increase in the length of their education, rural migrant workers showed an increase in preference for working in the city.

## 5.8.8 Communication behaviour between rural workers and urban citizens

### 5.8.8.1 Difficulties faced by rural workers when they interacted with urban citizens

Question 30 asked:

30. What difficulties do you often meet when you interact with urban citizens?

- i. No difficulties                      ii. Mode of thinking and concepts are different                      iii. Life style is different                      iv. Not enough chances to socialise with urban citizen                      v. Urban citizen look down on us                      vi. If other, please provide a description\_\_\_\_\_

**Figure 5.8.8.1** The responses of rural migrant workers to question 30.

	Frequency	Valid Percent
Valid 1 No difficulties	135	47.9
2 Mode of thinking and concepts is different	49	17.4
3 Life style is different	59	20.9
4 Not enough chances to socialise with urban citizen	25	8.9
5 Urban citizen look down on us	14	5.0
Total	282	100.0

A larger percentage of rural migrant workers thought that “they have no difficulties” (47.9%), “life style is different” (20.9%) or “their mode of thinking and concepts is different” (17.4%) when they interacted with urban citizens.

### 5.8.8.2 A larger percentage of rural workers (69.4%) thought urban citizens were willing to socialise with them.

Question 31 asked:

31. In their hearts, do you think urban citizens are willing to socialise with you?

- i. With a great deal of pleasure      ii. Willingly      iii. Not very willingly      iv. Reluctantly

A larger percentage of rural workers (69.4%) considered urban citizens were willing to socialise with them. For details see Appendix I A68.

### 5.8.8.3 Most rural migrant workers (91.7%) liked to socialise with people who were from the countryside.

Question 39 asked:

39. I like to socialise with people who are from the countryside?      i. Yes      ii. No

**Figure 5.8.8.4** - The responses of rural migrant workers from question 39.

		Frequency	Valid Percent
Valid	1	188	91.7
	2	17	8.3
	Total	205	100.0

In this sample, most rural migrant workers (91.7%) liked to socialise with people who were from the countryside.

## 5.8.9 An analysis of the benefits and influences of urbanisation and factors promoting a good life for rural migrant workers

### 5.8.9.1 How has the development of the city affected rural workers?

Question 29 asked:

29. How has the development, growth, expansion and industrialism of the city affected you?

- i. Better education      ii. Better health care      iii. Higher quality of life      iv. Access to better amenities      v. Greater pollution  
vi. Better life-style      vii. Better facilities      viii. Higher income

**Figure 5.8.9.1** - The responses of rural migrant workers to question 29.

	Frequency	Valid Percent
Valid 1 Better education	24	13.2
2 Better health care	4	2.2
3 Quality of life	49	26.9
4 Access to better amenities	43	23.6
5 Pollution	18	9.9
6 Life style	28	15.4
7 Better facilities	5	2.7
8 Higher income	11	6.0
Total	182	100.0

With the development, growth, expansion and industrialism of the city, they were able to receive a “better quality of life”, “access to better amenities”, “life style” and “better education”.

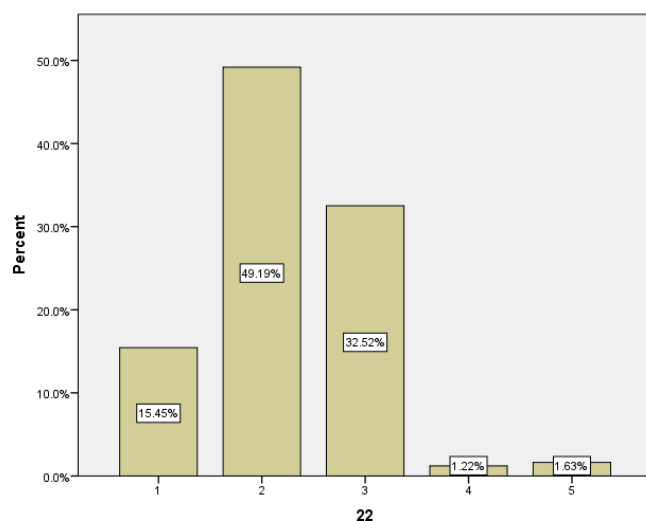
#### 5.8.9.2 A larger percentage of rural migrant workers (49.19%) thought their social status was marginally higher in the city.

Question 22 asked:

22. Compared with when you lived in the countryside, your social status is now \_\_\_\_\_

i. Up a great deal    ii. A little higher    iii. Unchanged    iv. Down a bit    v. Down a great deal

**Figure 5.8.9.2** - The responses of rural migrant workers to question 22





A larger percentage of rural migrant workers (49.19%) thought their social status was now a little bit higher in the city. For details see Appendix I A69.

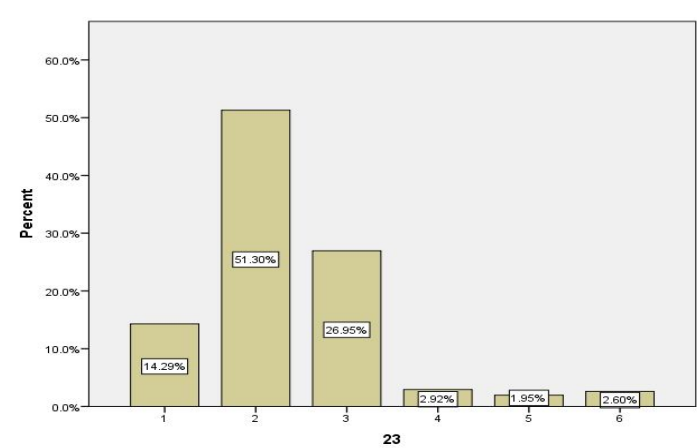
**5.8.9.3 The economic condition of a big percentage of families of rural migrant workers (51.3%) was a little better.**

Question 23 asked:

23. Compared with families from a farming background who remained in your hometown, you or your family's economic condition is\_\_\_\_\_

- i. Much better than other families      ii. A little better than other families      iii. No better no worse      iv. A little worse than other families  
v. Much worse than other families      vi. Do not know

**Figure 5.8.9.3 - The responses of rural migrant workers to question 23**



In the sample, compared with families from a farming background who remained in their hometown, the economic condition of a large percentage of families of rural migrant workers (51.3%) was a little better. 26.95% of rural workers indicated that their economic conditions was no better no worse. It reflected one of the effects of urbanisation. For the detail see Appendix I A70.

**5.8.9.4 A larger percentage of rural migrant workers (68.2%) remained constantly aware of the differences between living in the countryside and cities.**

Question 36 asked:

36. I am constantly aware of the differences between living in the countryside and the city? i. Yes ii. No

**Figure 5.8.9.4 - The responses of rural migrant workers to question 36.**

		Frequency	Valid Percent
Valid	yes	206	68.2
	no	96	31.8
	Total	302	100.0

A larger percentage of rural migrant workers (68.2%) remained constantly aware of the differences between living in the countryside and cities. This revealed that basic infrastructure in rural areas remained inadequate.

**5.8.9.5 A larger percentage of rural migrant workers (58.9%) often noticed the differences between people from the countryside and from cities.**

Question 37 asked:

37. I often notice differences between people from the countryside and those from cities? i. Yes ii. No

**Figure 5.8.9.5 - The responses of rural migrant workers to question 37.**

		Frequency	Percent	Valid Percent
Valid	1 Yes	123	22.1	58.9
	2 No	86	15.5	41.1
	Total	209	37.6	100.0

A larger percentage of rural migrant workers (58.9%) often noticed differences between people from the countryside and from cities.

**5.8.9.6 It is important to strengthen rural workers' welfare and incomes.**

Questions 19 and 20 asked:

(19. To what extent have you achieved your aims in the city? Please read each one and indicate whether you achieved or did not achieve it by ticking one box for each statement. Please answer all statements and for each one select any number from 0 for the statements you did not achieve to 5 for statements where you achieved fully.

		No Achievement	Achievement				Fully Achievement
i.	High Income	0	1	2	3	4	5
ii.	Better Life	0	1	2	3	4	5

iii.	Better welfare	0	1	2	3	4	5
iv.	Good job	0	1	2	3	4	5
v.	Good working and living environment	0	1	2	3	4	5
vi.	Good opportunity	0	1	2	3	4	5 )

20. Following the answer to question 18 and question 19, to what extent do you believe you will achieve your hopes for the future? Please answer all statements and for each one you can select any number from 0 for factors you think are unlikely to 5 for factors you think are extremely likely.

		Unlikely	Likely			Extremely Likely	
i.	High Income	0	1	2	3	4	5
ii.	Better Life	0	1	2	3	4	5
iii.	Better welfare	0	1	2	3	4	5
iv.	Good job	0	1	2	3	4	5
v.	Good working and living environment	0	1	2	3	4	5
vi.	Good opportunity	0	1	2	3	4	5 )

The variable (“achieved a high income”), the variable (“achieved better welfare”) and the variable (“achieved good working and living environment”) made a statistically unique contribution to the prediction concerning the dependent variable (“achieved a better life”). For details see Appendix I A71.

Variable 1 (hopes for a high income), variable 3 (hopes for better welfare), variable 4 (hopes for a good job) and variable 6 (hopes for good opportunities) made a positive, statistically unique contribution to the prediction concerning the dependent variable (hopes for a better life). For details see Appendix I A72.

## Interview Analysis

### 5.8.10 An analysis of drivers for urbanisation

The researcher asked four rural migrant workers the following question:

What about rural urbanisation in your hometown-village?

The researcher also asked another question about the motivation behind rural migrant workers’ move to urban communities. (The interviewees’ list, transcripts of the interviews and a content analysis of the interviews, see Appendix IV part 1.)

With reference to content analysis (Glaster, 1978: 83 *cited by* Punch, 2009), the researcher built an overarching theme, which could be identified as “Rural migrant workers long for city life”. The reasons were as follows: interviewees indicated that there were better facilities in cities; rural infrastructure could not compete with city infrastructure; educational opportunities at primary, secondary levels in cities could not be matched by those in their home territories, and career prospects in the cities far out-weighed those in their rural communities. These were also in line with the findings in the data analysis, see data analysis in section 5.8.

An interview with one deputy general manager in SOE D revealed his observation concerning urbanisation. For the transcript of the interview and the content analysis of the interview, see Appendix IV part 2. He indicated that because villages were dispersed, basic infrastructures were not good. Villagers lived in flats, thereby raising the utilization of land. Through bringing together people, efforts could be concentrated on building communities. More public facilities could be built.

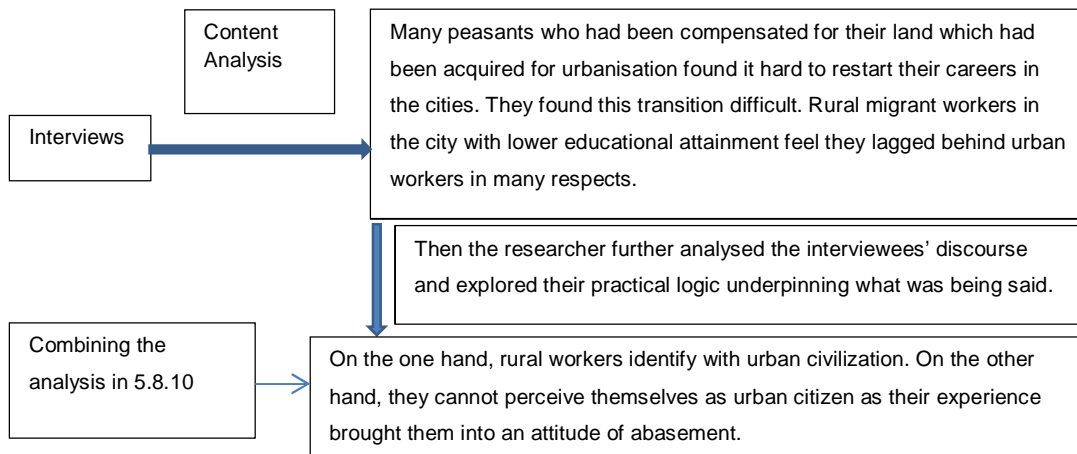
From this, it could be seen that urbanisation could raise the utilization rate of land and resources. Efforts could be concentrated on building communities and public facilities through urbanisation. Urbanisation was necessary. It was good to continue the enterprise of developing public facilities in rural areas.

### **Drivers for urbanisation: summary**

People in rural areas longed for urban life. Their experience of the rural infrastructure indicated that it was inferior compared to those found in the city. In comparative terms, they found that job opportunities and career prospects in cities far out-weighed those in rural communities. Educational opportunities at primary and secondary levels in cities could not be matched by those in their home territories.

#### **5.8.11 An analysis of rural migrants’ difficulties brought about by urbanisation**

**Figure 5.8.11** - Mind map for rural migrants’ difficulties brought about by urbanisation



In the interviews, the researcher asked, “Compared to rural life, how do you see city life? How do you see urban citizens and rural workers?” The researcher interviewed six interviewees. (The interviewees’ list, transcripts of interviews and the content analysis of the interviews, see Appendix V.)

The researcher, from the content analysis of the interviews, found that rural migrant workers with lower educational attainment felt they lagged behind others and were inferior to others in many respects in cities and liked to make friends with other people also from rural areas as they believe they could not compete with urban citizens. For instance, they regarded themselves as educationally inferior and thought urban citizens had good educational attainment. They considered they could achieve a better development for their life in cities and could not compete with urban citizens and could not afford the high cost of living in cities. These were also the reasons why peasants who had been compensated for their land which had been acquired for urbanisation found it hard to restart their careers in cities and wanted their work to be arranged for them after their land had been taken over.

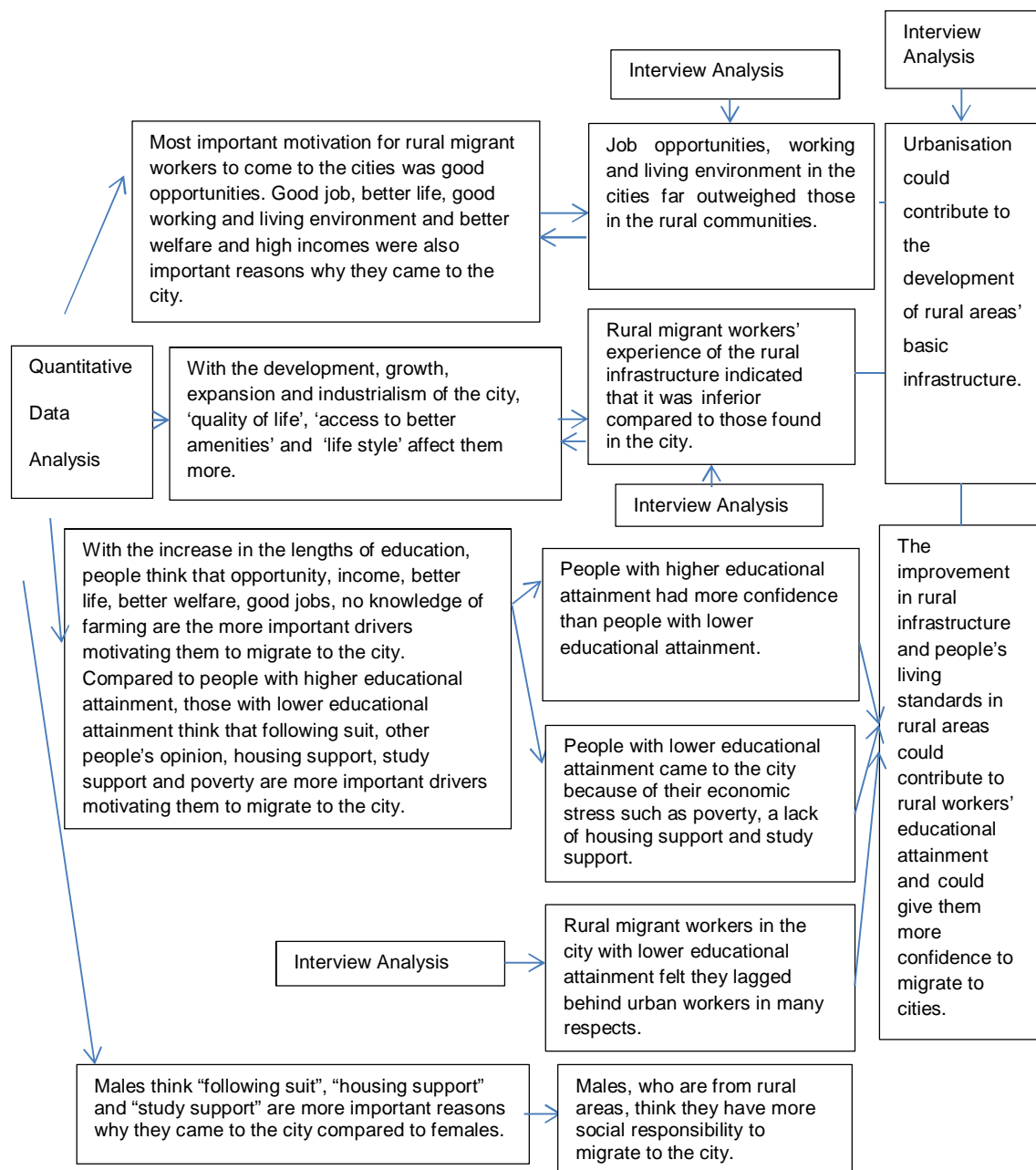
From the transcripts, it could also be seen that rural migrant workers with lower educational attainment had some difficulties in their personal and professional lives in the city, for example, employment problems. This would also explain the reason why most questionnaire respondents indicated that they were still rural or partly urbanised (see question 24 in section 2 in Appendix II).

In summary, along with the development of urbanisation, people with lower educational attainment, who were from rural areas, understood in comparative terms, that they found job opportunities and career prospects in cities far outweighed those in their rural communities (see 5.8.10). They also realised urban citizens had a higher educational attainment, were highly competent and experienced. Ideologically, this concrete experience made them feel the differences between rural workers and urban citizens. This experience brought them into an attitude of inferiority. On the one hand, rural workers identified with urban civilization. (see 5.8.10). On the other hand, many of them could not perceive of themselves as urban citizens, (see question 24 in section 2 in Appendix II). It followed from interviews that their living environment and social experience made them have a relatively strong sentiment for rural attachment. Many of them thought their roots were in the rural area, (see question 25 in section 2 in Appendix II) through their social construction. Some respondents with lower educational attainment indicated that they liked to make friends with village fellows (see Appendix V). Xia (2011) has also found in her comprehensive survey of 410 villages across China that bonding has a 'very solid foundation' in most villages (Cook *et al.* 2015). From the perspective of rural migrant workers' practical logic in this case study, this reflected they sought internal support. Similarly, Ao (2007) explored the issue of homophily and heterophily as contained in the position generator. She demonstrated that disadvantaged groups were highly inbred and constrained in the formation of social ties (Ao 2007 *cited by* Lin *et al.* 2014). However, seeking internal support would not help shorten psychological distance between rural migrant workers and urban citizens.

## **Discussion**

### **The analysis of reasons why rural workers migrate to cities**

**Figure 5.8** – A mind-map – summarising the analysis of reasons why rural workers migrate to cities



The most important drivers motivating rural migrant workers to migrate to cities were good opportunities. Good jobs, a better life, good working and living environment, and better welfare, and high incomes were also important reasons why they came to the city. It indicated that there were more opportunities and jobs in cities where there was a good working and living environment (See 5.8.1.1). The quantitative data analysis also revealed the extent to which rural migrant workers had achieved good opportunities, good jobs, and a good working and living environment in the city was greater than that on offer in the country. It implied that there were good opportunities, good jobs, and a good working and living environment in the city. As described in

5.8.14.1, compared with families from farming background who remained in their hometown, a large percentage of rural migrant workers' families' economic conditions was a little better. It reflected the effects of urbanisation. The benefits of urbanisation can be seen.

The quantitative data showed that, with development, growth, expansion and industrialism of the city, "quality of life", "access to better amenities" and "life style" affected them more. The implication behind this indicated that job opportunities, working and living environment or basic infrastructures in rural areas were worse than in the cities (See 5.8.2). When the researcher interviewed some villagers in Zoucheng city in Shandong Province, they generally said the flats which were built in their village helped them to achieve their wishes of living in the city. The quantitative data analysis also showed a larger percentage of rural migrant workers were constantly aware of differences between living in the countryside and cities. This reflected that basic infrastructure in rural areas remained inadequate. These were also in line with the findings in the interview analysis. Interviewees indicated that there were better facilities in cities; rural infrastructure could not compete with city infrastructure; educational opportunities at primary, secondary levels in cities could not be matched by those in their home territories, and career prospects in the cities far out-weighed those in their rural communities. Their experience of the rural infrastructure indicated that it was inferior compared to those found in the city. See 5.8.10.

Further, with an increase in the length of education, people believed that opportunities, incomes, a better life, better welfare, a good job, and no knowledge of farming were the more important drivers motivating them to migrate to the city. Compared with people with a higher educational attainment, those with lower educational attainment thought that following suit, other people's opinion, housing support, study support, and poverty were more important drivers in motivating them to migrate to the city. It implied that people with higher educational attainment had more confidence than people with lower educational attainment. People with lower educational attainment came to the city because of their economic stress such as poverty, a lack of housing support and study support (See 5.8.1.2). An analysis of rural migrants' difficulties brought about by urbanisation also shows rural migrant



workers in the city with lower educational attainment felt they lagged behind urban workers in many respects (see 5.8.11). Therefore, the improvement in rural infrastructure and people's living standards in rural areas would contribute to rural workers' educational attainment and could give them more confidence to migrate to cities.

Males thought "following suit", "housing support" and "study support" were more important reasons why they came to the city compared with females (See 5.8.1.3). It indicated that males, who were from rural areas, felt they had more social responsibility to migrate to the city.

Moreover, when the researcher interviewed a deputy general manager in the SOE D, he indicated that some villages were very much dispersed in China. These dispersed villages covered a large area, so the utilization rate of land and resources and basic infrastructures were not good. Public facility construction could not be achieved either because there were not enough people in one village to warrant the high cost. This also caused land use to be wasted. Urbanisation could combine several villages. Villagers live in flats. This way could raise the utilization rate of land. Through bringing together people, efforts could be concentrated on building communities and public facilities. After improving living conditions, the utilization rate of resources would be improved. This way should be the necessary road for urbanisation in China.

From this, it was evident that urbanisation could contribute to the development of rural areas' basic infrastructure and then the improvement in rural infrastructure and people's living standards in rural areas would contribute to rural workers' educational attainment and could give them more confidence to migrate to cities. This could help them get along with other people in the urban society and enhance their life satisfaction, addressing the problems identified by an analysis of rural migrants' difficulties brought about by urbanisation, (see 5.8.11).

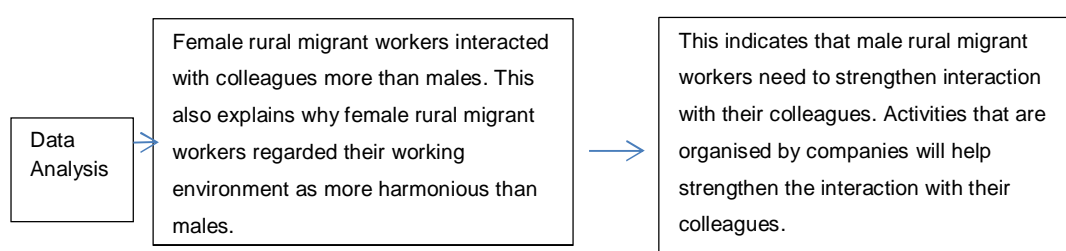
## **Section 5.9 – Rural migrant workers' working environment with respect to their gender**

**This section proposes to assess differences between female and male rural migrant workers with respect to their working environment.**

**The results arrived at one main conclusion:**

1. Female rural migrant workers interacted with colleagues more than males. This also explained the reason why female rural migrant workers thought their working environment was more harmonious than males.
2. Male rural migrant workers needed to strengthen interaction with their colleagues. Activities that were organised by companies would help strengthen the interaction with their colleagues. See Figure 5.9.

**Figure 5.9** – A mind-map –summarising rural migrant workers’ working environment with respect to their gender



## **Data analysis**

### **5.9.1 Female rural migrant workers found that the environment at their work place more friendly.**

As far as staff whose household registration was originally agricultural or was still agricultural was concerned, the researcher considered question 12 together with gender.

(12. How friendly do you find the environment at your work place?)

- i. Very friendly    ii. Quite friendly    iii. Quite unfriendly    iv. Very unfriendly)

The difference was statistically significant at 5% or 1% in the variable “working environment” for females and males in this sample. For significance levels see Appendix I Figure A73. Female rural migrant workers found the environment at their work place more friendly.

**5.9.2 Males considered someone in a company was more likely to take advantage of them than females in the company.**

As far as staff whose household registration was originally agricultural or was still agricultural was concerned, the researcher considered question 18 B together with gender.

(18.In general, do you agree or disagree with the following statements?

	i. Agree strongly	ii. Agree somewhat	iv. Disagree somewhat	v. Disagree strongly
B. In the company, one				
has to be alert or	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
someone is likely to				
take advantage of you				

The difference was statistically significant at 5% or 1% in the variable “one has to be alert or someone is likely to take advantage of you” for females and males in this sample. For significance levels see Appendix I Figure A74. Males believed someone in a company was more likely to take advantage of them than females in the company.

**5.9.3 Females considered the relationships among people at their work place were generally more harmonious than males.**

As far as staff whose household registration was originally agricultural or was still agricultural were concerned, the researcher considered question 20 together with gender.

(20.Are the relationships among people at your work place generally harmonious or disagreeable?

i. Harmonious	ii. Hostile )
---------------	---------------

The difference was statistically significant at 5% or 1% in the variable “harmonious” for females and males in this sample. For significance levels see Appendix I Figure

A75. Females felt that relationships among people in their work place were generally more harmonious than males.

#### **5.9.4 Males were more constantly aware of the differences between living in the countryside and in cities.**

As far as staff whose household registration was originally agricultural or was still agricultural were concerned, the researcher considered question 36 together with gender.

(36. I am constantly aware of the differences between living in the countryside and in the city? i. Yes ii. No )

The difference was statistically significant at 5% or 1% in the variable “the differences between living in the countryside and cities” for females and males in this sample. For significance levels see Appendix I Figure A76. Males were more constantly aware of the differences between living in the countryside and in the city.

#### **5.9.5 Females considered their working atmosphere was happier than males.**

As far as staff whose household registration was originally agricultural or was still agricultural were concerned, the researcher analysed question 36 together with gender.

(25. In general, how happy do you consider yourself to be with the atmosphere at your work?

i. Very happy ii. Moderately happy iii. Moderately unhappy iv. Very unhappy)

The difference was statistically significant at 5% or 1% in the variable working atmosphere for females and males in this sample. For significance levels see Appendix I Figure A 77. Females considered their working atmosphere happier than males.

#### **5.9.6 Males interacted with line managers more than females. Females interacted with colleagues more than males.**

As far as staff whose household registration was originally agricultural or was still agricultural were concerned, the researcher analysed question 1 (in section 4 of the questionnaire) together with gender.

(1. Please put the following group in the order in which you interact with them in your

company, starting with 1 for who you interact with the most in your company through to 4 for whom you interact with the least in your company? Please place a tick in the appropriate box.

- |      |                 |                            |
|------|-----------------|----------------------------|
| i.   | Line Managers   | <input type="checkbox"/>   |
| ii.  | Colleagues      | <input type="checkbox"/>   |
| iii. | Bosses          | <input type="checkbox"/>   |
| iv.  | Village fellows | <input type="checkbox"/> ) |

The difference was statistically significant at 5% or 1% in the variable interaction with line managers and colleagues for females and males in this sample. For significance levels see Appendix I A78. Males interacted with line managers more than females. Females interacted with colleagues more than males.

### **5.9.7 Females interacted with colleagues more than males in their social contact. Males interacted with line managers more than females in their social contact.**

As far as staff whose household registration was originally agricultural or was still agricultural were concerned, the researcher analysed question 2 (in section 4 of the questionnaire) together with gender.

(2. Please rank the people you meet and interact with frequently in social contact, starting with 1 for high frequency through to 6 for low frequency.

- |      |   |                            |
|------|---|----------------------------|
| i.   | Relatives( except close family members) | <input type="checkbox"/>   |
| ii.  | Friends                                 | <input type="checkbox"/>   |
| iii. | Acquaintances                           | <input type="checkbox"/>   |
| iv.  | Colleagues                              | <input type="checkbox"/>   |
| v.   | Line managers                           | <input type="checkbox"/>   |
| vi.  | Bosses                                  | <input type="checkbox"/> ) |

As far as staff whose household registration was originally agricultural or was still agricultural were concerned, the difference was statistically significant at 5% or 1% in the variable interaction with colleagues and line managers in their social contact for females and males in this sample. For significance levels see Appendix I A79. Females interacted with colleagues more than males in their social contact. Males interacted with line managers more than females in their social contact. As a whole, men had greater bridging social capital (Putnam 2000) than women.

## **Discussion**

As described in the data analysis in 5.9, female rural migrant workers interacted with colleagues more than males. Interaction enabled people to build communities, to commit themselves to each other, and to knit social fabric (Field 2003: 1-2). This also explained the reason why female rural migrant workers thought their working environment more harmonious than males. This indicated that male rural migrant workers needed to strengthen interaction with their colleagues. Furthermore, generally speaking, it is argued that participation in voluntary associations fosters interaction between people and increase the likelihood that trust between members will be generated. Group activity helps to broaden the scope of interest, making public matters more relevant. In addition, it is argued that participation in organisations tends to increase members' level of information, trains them in social interaction, fosters leadership skills, and provides resources essential for effective public action (Smidt 2003). Stolle and Rochon (1998) maintained that membership in voluntary associations is an "increased capacity for collective action, cooperation, and trust within the group, enabling the collective purposes of the group to be more easily achieved" (*cited by* Smidt 2003). Accordingly, activities that were organised by companies would help strengthen interaction and trust between colleagues. It also might help to encourage recreation facilities such as sports and entertainment facilities.

#### **5.10 An analysis of interviews in State Owned Enterprise D – Rural migrant workers' social integration situation in the SOE and an analysis of reasons why there was lower working efficiency in the SOE**

This sub-chapter discovered that in the SOE, regular workers who worked for the people of China worked with little commitment because of job stabilisation in the SOE and many rural migrant workers were casual workers and could be moved around every several years. This was one way to increase the SOE's working efficiency. Although there was equal pay for equal work, casual workers' jobs were less secure when compared to the jobs of regular staff who worked for the whole people of China. (The latter can be viewed as a phenomenon of the socialist system). State operated enterprises also referred to as enterprises 'owned by the entire people' (Peverelli and Song 2012). Rural migrant workers (with lower educational attainment) were not offered permanent jobs despite their fundamental

function within the labour system which was vital for the economic success of the enterprise. This section also analysed reasons why there was a lower working efficiency in the SOE.

### **An analysis of interviews in State-Owned Enterprise D**

The first manager the researcher interviewed was Mr H in one company in SOE D. For transcript of the interview and content analysis of the interview, see Appendix XIII. In terms of reasons to recruit rural migrant workers, Mr H thought that rural migrant workers could contribute towards state-owned business activities through performing manual labour or semi-manual labour and low technology jobs. Some of regular staff under ownership by the people / regular staff who worked for the people of China worked without commitment because of their job stabilisation. Many rural migrant workers were casual workers. They are moved around every several years. This activated the labour system and raised working efficiency and increased the enterprise's economic benefit. However, Lesser (2000) claims that the changing nature of the employment contract has made it difficult to maintain intra-organisational networks; these mobile employees often bring the requisite skills, but not necessarily the same motivation to develop relationships that are necessary to knowledge creation, sharing and reuse. What gain in staffing flexibility from the use of temporary employees, organisations often lose in terms of overall productivity and efficiency in the long run (Lesser 2000). Further, although there was equal pay for equal work, casual workers' jobs were not as stable as jobs of regular staff under ownership by the whole people in this case study. It can be seen from the interview transcripts that permanent job security caused some of the regular staff who work for the people of China to work with little commitment and some of them lacked responsibility; some staff's work efficiency was not high.

Considering the lower working efficiency in the state-owned enterprise, the researcher further analysed the reasons.

### **An analysis of reasons why there was lower working efficiency in the State-Owned Enterprise**

From the analysis of the background of SOE D, (see Appendix IX), it was evident that staff's responsibilities needed to be clearly defined; the organisation was overstaffed and the internal working impetus was lacking in the SOE. In addition, it was also evident that strategic decisions of the leaders of the Provincial State's Assets Administration Committee were vital to the development of a state-owned enterprise. However, sometimes, the state-owned company's development path was not suited to provincial development planning. For example, Shandong Province's State Assets Administration Committee was opposed to coal enterprises' expansion outside Shandong Province before 2005, and it was suggested they invest in their hometown in Shandong Province. However, after 2005, owing to the increasing depletion in resources of the headquarter area, the SOE D had to merge and purchase coal mines that were outside Shandong Province. Unfortunately, however, it had already missed the best period. In the spring tide of a market economy, enterprises needed to identify untapped markets and act quickly. The Provincial State's Assets Administration Committee was exerting too much control over the running of the SOE. It would help if they allowed more autonomy for these enterprises so that they could follow the laws of the market economy to make decisions on their own. It was also inevitable to streamline organisational structures.

The researcher interviewed the Chief Engineer in SOE D - Mr N. to ask his opinion about the enterprise's management system, (for transcripts of interviews and content analysis, see Appendix X), Mr N also said the State-Owned Enterprise's efficiency was low (Sometimes what the company said did not count and things that needed to be done could not be done. They needed to submit a report to the State Assets Administration Committee level by level. If they did not comprehensively understand the whole situation, it would result in low decision-making efficiency.); there was also a waste of state assets and the cost was high as no person was really responsible for those assets; industries in some competitive areas could be market driven and state-owned businesses might withdraw from participation.

On 17<sup>th</sup> March, 2014, State Council Premier Keqiang Li, at a press conference, answered questions about the First Session of the 12<sup>th</sup> National People's Congress. He indicated that the planned reform scheme of national institutions was to transform government functions and streamline administration and delegate power to lower levels. If the market could do it, things should be left to the market more. If society could do it better, leave things to society. The government should only keep a grip on



what it should manage. (China National Radio Network, 2014). The two meetings held by the State Council also brought forth the reform thought of “small government and big market”. On paper, the central government intended to gradually rid itself of most SOEs. The plan was to retain about 1,000 major corporations and sell the remaining ones. However, it would take considerable time to realise such a plan, because the employees of SOEs would fear losing their traditional benefits (Peverelli and Song 2012).

Therefore, the State Assets Administration Committee was exerting too much control over the running of SOEs. It would help if they allowed more autonomy for these enterprises so that they could follow the laws of the market economy to make correct decisions on their own. Additionally, they could streamline organisational structures and staff and could also consider privatisation of specific parts of the enterprise so as to benefit stakeholders through increases in efficiencies and, thereby, return improved profitability.

The Marxist view (Bourdieu 1986), was to treat social capital as something that delivered reliable expectations about the behaviour of others. This typical type of social capital in the Marxist strain determined actions (Edwards *et al.* 2007). Institutions played a leading role and the social relationship network was more or less institutionalised in this social capital model. The operation of state owned business worked in a way that was similar to the Marxist strain of social capital (Bourdieu 1986), especially, in the planning economy period. (For details, see 3.1 and 5.3). Bourdieu (1986) has identified that social capital facilitated intra group mutual recognition, solidarity and obligation among individual group members. (For details, see literature review). In the planning economy period, it was well known that there was a good credibility environment, more cohesion and people helped each other more in companies. In terms of this, the researcher asked for Mr N’s opinion and the opinions of some interviewees about the credible environment in the state-owned enterprise, (For interviewees’ list and content analysis of the interviews, see Appendix XI).

Through content analysis of the interviews, the researcher understood that “In the past people experienced China’s transformation from poverty and backwardness into a new country and they felt that they could have the final say and were able to take

initiatives in their jobs in state-owned businesses in the new country, so they had huge job enthusiasm and a good credible environment. The new generation of people did not have the feeling and experiences of the old society as they grew up in the new society and could not make a comparison. People did not work with huge degrees of enthusiasm in the state-owned company as there was a rigid promotion system although jobs under ownership by the whole people were very stable.” From this, it was evident that the Marxist strain of social capital that could be involved in state-owned businesses was not a determining factor that influenced people’s working enthusiasm and mutual trust and cooperation in intra-organisations. The research completed in this study did not provide the evidence to support civic participation and collectivism (Zheng 2004) (see 3.1) promoted by the state in the report of the SOE investigated. In this case study, the SOE does not have the effective democratic strain of social capital as the democratic strain of social capital theory prescribed that associated actors are social facts that cultivate the “habits of acting together in the affairs of daily life” (Tocqueville 1969).

All the analysis above suggested that:

1. The Provincial State’s Assets Administration Committee was exerting too much control over the running of SOEs. It would help if they allowed more autonomy for these enterprises so that they could follow the laws of the market economy to make correct decisions on their own.
2. An accelerated reform of the system was needed and modern management methods need to be developed. The state-owned enterprises needed to streamline organisational structures. Additionally, they could also consider privatisation of specific parts of the enterprise so as to benefit stakeholders through increases in efficiencies and, thereby, return improved profitability. It was essential for state-owned enterprises to recruit all kinds of talented people without overstressing the need for qualifications and household registration status.

### **A discussion concerning how to help rural migrant workers be included within urban communities (the State Owned Enterprise): summary**

Typically, rural migrant workers could contribute towards the state-owned business activities through performing manual labour or semi manual labour and low

technology jobs. Although there was equal pay for equal work, casual workers' jobs were less secure compared with the jobs of regular staff who worked for the whole people of China. (The latter was a phenomenon of the socialist system). Rural migrant workers (with lower educational attainment) were not offered permanent jobs despite their fundamental function within the labour system which was vital for the economic success of the enterprise. This changing nature of the employment contract was not good to maintain intra-organisational networks.

Jobs under ownership by the whole people were very stable but there was a rigid promotion system and superfluous human capital. People did not work with huge degrees of enthusiasm in the state-owned enterprise. It was evident that the Marxist strain of social capital that could be involved in state-owned businesses was not a determining factor that influenced people's working enthusiasm and mutual trust and cooperation in intra-organisations.

The state-owned enterprises needed to streamline organisational structures. Additionally, they could also consider privatisation of specific parts of the enterprise so as to benefit stakeholders through increasing efficiencies and, thereby, return improved profitability. Furthermore, the Provincial State Assets Administration Committee was exerting too much control over the running of the state-owned enterprise. It would help if they allowed more autonomy for these enterprises so that they could follow the laws of the market economy to make correct decisions on their own.

### **5.11 An analysis of interviews in private companies – An analysis of reasons why there was an inclusive environment for rural migrant workers in private companies**

This sub-chapter discussed how to ensure rural migrant workers be included within urban communities in terms of their working environment. Section 5.11.1 identified a gap between rural migrant workers with lower educational attainment and urban workers when comparing their vocational skills and overall capability. Barriers to entry to the SOE were seen to be comparatively higher for rural migrant workers. However, as far as the occupational planning of rural migrant workers with lower educational attainment was concerned, outstanding rural migrant workers, even

those with a lower educational attainment, had the opportunity to be promoted to management and to participate in management decisions. This corresponds to the findings in 5.1.

It was also found, from 5.11.2, that private companies had an inclusive environment that provided equal opportunities and career progression for rural migrant workers. For instance, fair competition in private companies promoted the technical confidence of rural migrant workers; private companies could create a fair platform for every employee to give play to their potential to the fullest without unnecessary intervention. Section 5.11.2 also emphasised the necessity of rural migrant workers' training and the importance of welfare of workers in companies to the inclusion of rural migrant workers within the urban community.

## **Interview analysis**

### **A discussion concerning how to ensure rural migrant workers were included within urban communities in terms of their working environment**

The researcher held semi-structured interviews with senior managers and directors in the SOE and private companies. The researcher investigated their thoughts regarding the best way for rural migrant workers to develop their career.

The interviews were semi-structured, with only a standard set of questions that were designed to help initiate and guide the interview process. The questions were asked in a one to one approach by the researcher.

The research questions were as follows:

1. Question: Why does your company employ migrant rural workers?
2. Questions: In what other ways do you think these workers contribute towards your business activities?
3. Question: What help do migrant workers get from working in the company that contributes to their urban community?

4. Questions: Do these rural migrant workers contribute towards the urban community they have become part of?
5. Questions: Do you think your company's system helps all migrant workers to be included into the urban community?
6. Question: How do you think rural migrant workers can be better included in the urban community?
7. Question: Is it easy to manage rural migrant workers in the company compared with the management of urban citizens?
8. Question: Who do you think can give rural migrant workers the most care and help in the company?
9. Question: In your opinion what is the best way a migrant worker can develop their career?
10. Question: What comments do you make about migrant workers?

#### **5.11.1 An analysis of interviews in private company C in Shandong Province**

The office director of this company - Mr Z and the deputy general manager were interviewed by the researcher. For the interview transcripts of the office director of private company C see part 1 in Appendix VI; content analysis of the interviewee's interview transcript see part 2 in Appendix VI. For transcripts of the interview with the deputy general manager in private company C and content analysis see Appendix VII.

This content analysis afforded a clue for more analysis of the interview transcript and laid a good basis for the further study on the interviewee's discourse expression.

#### **An analysis of the discourse expression of Mr Z (The vice-general manager and office director of private company C in Shandong Province) from the perspective of constructivism and structuralism**

Mr Z, who is the vice-general manager and office director in private company C in Shandong Province, said he was from a village. When he was young, he passed the university entrance examination. After graduation, he found a job and raised a family

in the city until now. From the perspective of constructionism, Mr Z's thoughts came from his social practice in rural areas as he grew up in the rural area. Mr Z's discourse expression revealed his strong sentiment of local attachment and his identification with villages. Mr Z said: "rural workers are more diligent and very guileless; they are more compliant with company rules and are more manageable; rural workers (mainly referring to rural workers with low education level) are kind and simple-hearted and observe disciplines and obey laws; they work hard and have a tough spirit; their original income was relatively low so they could become contented easily." According to structuralism, such meaning is seen as being structured through binary opposites (Ferdinand de Saussure 1983 *cited by* Gribich 2007). His strong sentiment of local attachment and strong identification with villages reflected one aspect of his social identity. Nevertheless, at the same time, he also thought that the company would increase input in their professional knowledge training and education to help them make up for their lack of knowledge and enhanced their self-quality as soon as possible. Furthermore, rural migrant workers needed to strengthen their study background and relearn skills. He also mentioned that it was hard for private companies to recruit a large number of excellent technical workers as most of them chose to work for state-owned enterprises after graduation. On the contrary, it was easy to hire rural workers with lower educational attainment. This reflected that these rural migrant workers were not sufficiently qualified and were not well educated. Accordingly, this also showed that Mr Z identified with, understood and accepted there was a gap between rural migrant workers with lower educational attainment and urban workers when comparing their vocational skills and overall capability. This cast a new light on cognitive multi—dimension. Mr Z also considered that the company would increase input in their professional knowledge training and education to help them make up for their lack of knowledge and enhance their self-esteem as soon as possible. Furthermore, rural migrant workers needed to strengthen their study background and relearn skills.

The insight of the deputy general manager who had both experiences of working in a state-owned company and working in private companies like this one in company C also suggested that the administration of state-owned enterprises was comparatively formal; state-owned enterprises paid a fairly complete insurance for their employees. This explained why most of the excellent technical workers chose to work in state-

owned companies after graduation. However, barriers for rural migrant workers to entry to the SOE were high; in senior management posts of SOEs, there were few rural migrant workers (with lower educational attainment). In terms of reasons to recruit rural migrant workers, Mr Z said: “rural migrant workers do not have employees’ pension insurance as the pension scheme they join is a new type of rural social pension insurance. Fees are paid by them in rural areas. This partially reduces the burden on the company.” It can be seen that cost was a key factor to hiring rural migrant workers in private companies. In spite of this, outstanding rural migrant workers (with lower educational attainment) had the opportunity to be promoted to management and to participate in management decisions in the private companies.

In addition, Mr Z provided an early reflection on the fortunes of rural migrant workers. He advocated that the company decentralise arrangements for rural workers so that they could shadow the skilled workers to learn the necessary skills and habits and become skilled workers as soon as possible, in addition to adapting to urban life and rhythms. Hence, it appears that it took hard work and skilled workers’ help for rural migrant workers to move up the corporate ladder. Weak ties or acquaintances often provided more valuable information (Granovetter 1973). Bridging ties do not simply cross lines of differences. These lines of difference are marked by power differentials. Besser and Miller (2015) maintain that in order to build bridging social capital of the type that may be vital to community development, organizers have to address issues such as class hierarchies and all the attendant stereotypes that continue to exist, if truly collaborative and trusting relationships are to be formed (*cited by* Halstead and Deller 2015). According to the logic of “weak/bridging ties”, organisational involvement provided bridging social capital by connecting the individual to a wider range of people (Teorell 2003). In this case study, this private company helped rural migrant workers with bridging social capital by providing them with a form of mentoring support; thus they could learn the necessary skills and habits from skilled workers (urban citizens) and become skilled workers as soon as possible. Individuals must be able to identify individuals with expertise, build a relationship so that the sender is willing to share the knowledge with the receiver so mentoring is a process in which social capital is built with the express purpose of transferring tacit knowledge (Lesser 2000). Further, this private company also rented out low cost housing for rural migrant workers and might organise recreation facilities

such as sports and entertainment activities. Therefore, in summary, this is consistent with Besser and Miller's research. The employment environment and practices of the recruiting industry and the practices and attitudes of community institutions play an important role in building relationships and trust across groups (Besser and Miller 2015 *cited by* Halstead and Deller 2015). Furthermore, home culture in private companies also promoted to community development in companies, as described in 5.1.

**A discussion concerning how to help rural migrant workers be included within urban communities (The analysis of interviews in private company C in Shandong Province): summary**

There was a gap between rural migrant workers with lower educational attainment and urban workers when comparing their vocational skills and overall capability. As far as occupational planning for rural migrant workers with lower educational attainment is concerned, barriers to entry to the SOE were seen to be comparatively higher for rural migrant workers. However, although the low cost of hiring rural migrant workers was a key consideration for private companies, outstanding rural migrant workers even with lower educational attainment had the opportunity to be promoted to management and to participate in management decisions in the private companies. These were also in line with the findings in sub-chapter 5.1. There are more career progression for employees in the private companies. This private company (private company C in Shandong Province) helped rural migrant workers with bridging social capital by providing them with a form of mentoring support. That is the company decentralised arrangements for rural workers so that they could shadow experienced urban workers so as to learn the necessary skills and habits. The company rented out low cost housing for rural migrant workers. It also might organise recreation facilities such as sports and entertainment activities.

**5.11.2 An analysis of interviews in private companies – company B, company F and company A in Shandong Province**

(For interviewees' list, transcripts and content analysis of the interviews, see Appendix XII)



Based on the content analysis of the interviews (see Appendix XII), the researcher further analysed interviewees' discourse expressions.

### **Different comments about rural migrant workers and the necessity of rural migrant workers' training**

In the section of the analysis of the discourse expression of Mr Z (The vice-general manager and office director of private company C), Mr Z recounted the advantages of employing rural migrant workers. They are simple-hearted, worked hard and were easily contented. Mr Z and Mr D all agreed that rural migrant workers worked hard and endured hardship. Nevertheless, when the researcher interviewed Mr S, he said that sometimes rural migrant workers were keen on getting petty advantages and it was not easy for them to be quickly involved in one team; further, compared with urban workers, they were more lax in discipline. Even though rural migrant workers endured more hardship, they were not competent enough in doing some jobs. Rural migrant workers needed to actively master one technical skill and stimulate themselves with knowledge. When the researcher asked two rural migrant workers in private company A questions about the best way to find a suitable job and a satisfactory post in the company, they also stressed the importance of having some special job skills, (For details, see Appendix XII). Accordingly, it is considered important to improve rural migrant workers' overall competence and habits and customs in order to adapt them to employment selection. On the other hand, interviewees all agreed companies and society should give employees appropriate training and education in order for rural migrant workers to be compatible with companies' and society's development. Moreover, rural migrant workers' direct managers needed to give them more care and help. It was also important to improve their consciousness of self-protection of employment rights, and to solve the problems of rural migrant workers' children education and housing support. This would ensure that they had no worries about their families.

### **The importance of the welfare of workers in companies to the inclusion of rural migrant workers within the urban community**

The managers the researcher interviewed in private companies emphasised the importance of the welfare of workers in the companies to the inclusion of rural migrant workers within the urban community. Considering the question – “what help do rural migrant workers get from working in the company that contributes to their urban communities?”, Mr D said to improve workers’ welfare from all kinds of aspects; Mr Z indicated that, as a company, what they could do and gradually improve was as follows: provide staff with accommodation; provide staff with entertainment and leisure facilities in the company; provide staff with timely and necessary training in order to improve their working skills. Furthermore, Mr S indicated that their company had not been in default on workers’ wages; they bought birthday cakes for employees’ birthdays; they deliver gifts to workers’ children on Children’s Day and Christmas Day. The researcher thought all these welfare initiatives contributes to the inclusion of rural migrant workers within an urban community.

In terms of methods for promoting the inclusion of rural migrant workers within urban communities, the business manager - Mr D in private company A was also interviewed.

He said, “The best way to let rural migrant workers to be socially included in urban society is to let rural migrant workers work in the city. There is an old saying in China that our ancestors were all peasants three generations ago. Now we have become urban citizens as we live in the city for a long time. Our company also organises trips for our employees.”

This also indicated that to let rural migrant workers work in the city was a good way for them to be socially included in urban society. However, as described in 5.11.1, the employment environment and the practices and attitudes of community institutions all play an important role in the inclusion of rural migrant workers’ inclusion within urban communities.

The analysis above emphasized the importance of rural migrant workers’ training and the welfare of workers in companies to the improvement of rural migrant workers’ overall competence and the inclusion of rural migrant workers within the

urban community. The following discussion further analysed ways concerning how to promote the technical confidence of rural migrant workers.

### **Fair competition promoted technical confidence**

Mr S who was a deputy general manager in private company B said that their company held an annual congress of summaries and commendations every year and gave recognition and rewards to the best employees, work teams, sales champion, staff who made a special contribution to the company and workshops; they frequently held workers' vocational skills competitions. Through competitions, outstanding skilled workers came to the fore. This energised and created a great deal of enthusiasm in workers. The encouragement of competition also gave rural workers a greater sense of purpose. The competitions excited staff to learn more skills and to practise those skills.

### **Equal justice to all and home culture in private companies**

Mr S also claimed that more than half of newly employed workers were from rural areas and there were no differences in criteria of recruitment; they they did not discriminate in their treatment of people; both urban and rural workers were treated fairly; they had a 'home' culture and followed the same aim. He also said that individuals' performance pay systems were adopted and base pay was linked to performance; performance pay also depends on the company's overall economic efficiency and accounted for about 30% of their overall wages. Mr S's discourse explained one of the reasons why rural migrant workers experienced more career promotion in private companies, which was mentioned when the researcher conducted interviews in private company B. Accordingly, this kind of system within private companies could create a fair platform for every employee to give play to their potential to the fullest without unnecessary intervention. This could also assist in raising the confidence of diligent rural migrant workers at work. This was also a basis for the career advancement of rural migrant workers and urban workers. It was evident that a company's system, culture and operation model that was designed to assist in achieving full performance from employees could help rural migrant workers to be better included in urban society.

**A discussion concerning how to help rural migrant workers be included within urban communities (The analysis of interviews in private company B, company F and private company A in Shandong Province): summary**

Rural workers could endure heavy work more than urban workers. However, this did not mean they were more competent. They needed to actively master one technical skill and stimulate themselves with knowledge. Companies and society should give the staff appropriate training and education in order for rural migrant workers to contribute to companies and the society's development. The organisational system, culture and operation model that was designed to assist in achieving higher performance from employees in private companies could help rural migrant workers improve on their competencies and be better included in urban society.

Staff may be more inclined to continue working for a company if it is a good working environment (Bendell 2000). A better working environment enhances the social capital of the company (Bendell 2000). Rural migrant workers' working environments /company systems can influence their inclusion within urban communities. As described in the literature review chapter, rural migrant workers' working environment, company system and organisational culture belong to meso level social capital (See chapter 3.6.3). From the analysis above, private companies had good meso level social capital which contributed to the inclusion of rural migrant workers within urban communities as their fair competition and equal justice to all promoted the technical confidence of rural migrant workers and home culture also provided motivation for rural migrant workers in private companies.

## **Data Analysis and Discussion: conclusion**

From the evidence presented in chapter 5, it is evident that the structures of relations and the cultures in the SOE and the private companies were very different. With respect to social capital, identified in the objectives, trust in private companies existed more than in the SOE. Private companies allow for equitable participation by rural migrant workers in this case study.

The career progression differed between the state and private sectors. The private sector offered more opportunities for migrant workers, however, employees in the SOE had an inbuilt career progression whether they were migrant workers or not.

There are active connections among people in private companies. A less hierarchical system in private companies has contributed to this structure of relations. A close relationship between employers and employees/rural migrant workers created social capital which was more evident in cohesion within the private companies and contributed to employees'/rural migrant workers' hopes. Rural migrant workers get access to resources (help) embedded in this relationship structure to promote their career progression and inclusion in the context of their working environment. This relationship structure in private companies binds rural migrant workers and urban citizens and makes cooperative action possible.

It was found that employees who changed their agricultural status to non-agricultural status had more access to vertical social capital. Consequently, hukou status was integral to workers' job satisfaction.

Enhancing rural migrants' vocational skill training and cultivating skilful workers can help improve relations and mutual trust in companies, which can further help rural migrant workers' work performance and their inclusion within urban society.

## CHAPTER SIX

### **Conclusions**

6.1 Achievement of research objectives

6.2 Findings which are considered new in the context of Chinese rural  
worker migration

6.3 Findings that confirm earlier research

6.4 Recommendations

6.5 Limitations

6.6 Future Research

This study analysed the assimilation process of rural migrant workers in private companies and SOEs through the analysis of the structure of relations influencing their access to resources such as career progressions in companies and evaluated the contribution of social capital to the above assimilation process in the context of the Marxist and rational strains of social capital theory. This study also identified the motivation of rural migrants moving to urban communities in China.

Being innovative with respect to the approach in this study, existing ideas have been applied concerning social capital, but, also, for the first time, the Marxist strain of social capital theory (Bourdieu 1986) has been incorporated into the research of SOEs, and integrated with, for the first time, the rational strain of social capital theory (Coleman1990a) into the research of private companies. The theories were examined, in terms of the Snyder Hope Theory, mutual trust between people with non-agricultural and agricultural hukou, networks, organizational institutions and structure (how people are connected with each other in companies) and career progressions and the two strains of social capital theories considered with respect to the Chinese political economic system.

As was described in the literature review in this study, through the exploration of the Marxist strain of social capital theory as integrated into the research of state owned enterprises (SOEs) under the Chinese political economic system, this study posits the question as to whether there is a bond of sympathy and cohesion that has developed between members of SOEs. Through the exploration of the rational strain of social capital theory as integrated in research into private companies, this study posits the question as to whether there is a lack of mutual altruism in private companies. As a result of the analysis of the mutual trust between people with non-agricultural and agricultural hukou, networks, organizational institutions and structure and career progressions, new insights into the Marxist and rational strains of social capital theory were gained. They are the deficiencies identified in the Marxist strain of social capital theory and the rational strain of social capital theory.

The intra-group bonding social capital is described in the Marxist strain of social capital theory (Bourdieu 1986) (see 3.1). However, it is evident in this study that people did not work with huge degrees of enthusiasm in the SOE. The career progression differed between the state and private sectors. It is important to

establish an equal opportunities recruitment system which did not discriminate against rural migrant workers. The private sector offered more opportunities for migrant workers; however, employees in the SOE had an inbuilt career progression whether they were rural migrant workers or not. The nature of the SOE's structure with respect to: recruitment, progression, and promotion are affecting the efficiency of its workforce, in particular, relating migrant workers. The Marxist strain of social capital that could be involved in state-owned businesses was not a determining factor that influenced people's working enthusiasm and mutual trust and cooperation/solidarity in intra-organisations. In the study of the SOE, it became clear that civic participation, which is promoted by the state that leads to cohesion and bonding, is no longer being applied.

Furthermore, as a consequence of individualist rationality assumptions regarding the nature of human action as utility-maximisers, the rational strain of social capital theory understands trust among actors as a horizontally thin, organisational network which functions to bridge and coordinate individual action (Hardin 2000). Rational choice theory has no place for affect – that is, for such basic elements of human behaviour as altruism, love and friendship (Misztal 1996: 80-8; Sztompka 1999: 66; *cited by* Field 2008). The rational strain of social capital suffers from “rational reductionism” (Lewandowski 2006). However, from this study it is evident that rural migrant workers who work in the private companies can be better included within urban communities. With respect to social capital, trust in private companies existed more than in the SOE. There was a greater extent of mutual trust between those with non-agricultural and agricultural hukou in the private companies. In this study, the norm of reciprocity such as home culture in private companies is propitious to solve the collective action problems and further improve the economic and political performance of societies as it helps employees to forgo self-interest and act in the interests of collectivity. Home culture in the private companies is based on a shared vision, common values, a common system of rules and common behaviour habits, pursuing the long-term development which incorporates enterprise's value with individuals' value and inspire a sense of ownership and a sense of mission. This is a kind of participative leadership in companies. This norm of reciprocity constitutes a powerful form of social capital in private companies. The empirical evidence in this case study shows social capital in private companies acts on the premise of mutual



benefit and reciprocity. Furthermore, the private companies adopted performance pay systems and linked base pay to performance. This energises much enthusiasm in rural migrant workers and deserves recommendation.

## **6.1 Achievement of research objectives**

**Objective 1** To identify the motivation of rural migrants moving to urban communities in China

This study identified the motivation of rural migrants moving to urban communities and revealed that the main motivation for rural migrant workers' moving to urban communities were good opportunities, better jobs and life, good working and living environment, better welfare and high incomes. Their experience of the rural infrastructure indicated that it was inferior compared with that found in the city; in comparative terms, they found that job opportunities and career prospects in cities far outweighed those in the rural communities; educational opportunities at primary and secondary levels in cities could not be matched by those in their home territories. For details see 6.2.9.

**Objective 2** To analyse the assimilation process of rural migrant workers in private companies and SOEs in Shandong Province and the influence of pre-existing urban employees in these organisations on them.

The assimilation process of rural migrant workers in private companies and SOEs in Shandong Province and the influence of pre-existing urban employees in these organisations on them have been analysed and this is identified as follows:

The resources rural migrant workers can access to help them integrate into the urban working activities are influenced by the structures of relations between persons and among persons which are both connected to the social and organisational system. Social structure is a kind of capital that can create for certain individuals or groups a competitive advantage in pursuing their ends (Lin *et al.* 2001). This study researches how institutional and organisational factors and the structure of relations between persons and among persons/social structures of the SOE and private companies affect the inclusion of rural migrant workers in the context of their working environment. This study also researches what social

structures in organisations can contribute to the inclusion of rural migrant workers within their working environment. Particularly, this study explores the social structure / structure of the relations between persons and among persons, in both types of organisations through the analysis of employees'/rural migrant workers' social networks. Their social networks embedded resources such as help that are accessible to them. Therefore, this study researches how individuals are afforded and constrained by their relative accessibility to resources embedded in the social structure of the SOE and private companies. This was conducted to analyse the assimilation process of rural migrant workers in private companies and SOEs and evaluate the contribution of social capital to the above assimilation process. This study showed rural migrant workers in private companies could obtain more help from pre-existing urban employees and employers and they had more career progressions than rural migrant workers who worked in the SOE. Employees in the SOE had an inbuilt career progression whether they were migrant workers or not and there was a hierarchical structure in the SOE which is not good for rural migrant workers' assimilation in their working environment. Further, this study also explored trust between registration (hukou) groups in both types of companies, the relationship between trust and educational attainment and explored how different interactions affect individuals' social capital inside companies. The evidence showed there was a great extent of mutual trust between people with non-agricultural hukou (pre-existing urban employees) and people with agricultural hukou in private companies and rural workers' social trust was also significantly higher as education levels increased; further, graduates from the countryside gained easier access to heterogeneous connections in companies. (Heterogeneous interaction refers to the relationship between two actors who have different resources (Lin 2001).) This spotlighted the importance of education to rural migrant workers. All these clarify the assimilation process of rural migrant workers in the context of their working environment and fulfil the purpose of objective 2.

**Objective 3** To evaluate the contribution of social capital to the above assimilation process in the context of the Marxist and rational strains of social capital theory.

The contribution of social capital to the above assimilation process in the context of the Marxist and rational strains of social capital theory has been evaluated as follows:

According to this study, there are active connections among people in the private companies. A less hierarchical system in private companies (a participative style of leadership) has contributed to this structure of relations. A close relationship between employers and employees/rural migrant workers created social capital which was evidenced by more cohesion within the private companies and an obvious contribution to employees'/rural migrant workers' hopes and career progression. From another perspective, bridging and linking social capital play an important role in the inclusion of rural migrant workers within urban communities in the context of their working environment. Therefore, in this case study, bridging and linking social capital rather than strong ties in fact serve as important bridges extending rural migrant workers' networks. It is also evident in this study that rural migrant workers felt they did not have a high enough educational attainment and could not compete with urban citizens so they preferred to make friends with village fellows. However, seeking internal support would not help shorten psychological distance between rural migrant workers and urban citizens. According to this study, the structure of relations in the private companies and the participative leadership (rather than the command-based leadership style in SOEs) in the private companies promoted rural migrant workers' social trust outside their usual circles of kinship and personal acquaintances as there was a greater extent of mutual trust between rural migrant workers and urban workers in the private companies. In this study, private companies had an inclusive environment which provided equal opportunities and career progression for rural migrant workers. The rational strain of social capital which may be involved in private companies acts on the premise of mutual benefit and reciprocity.

This study showed people did not work with a huge degree of enthusiasm in the SOE. Accordingly, the strain of Marxist social capital involved in state-owned business was not a determining factor which influenced people's working enthusiasm and mutual trust and cooperation in intra-group - bonding social capital.

Therefore, this study clarified that the rational strain of social capital, the structure of relations and the participative leadership (rather than a hierarchical social structure and the command-based leadership style in SOEs) in the private companies promoted the assimilation of rural migrant workers within urban communities in the context of their working environment.

Social capital requires maintenance to remain productive (Lesser 2000). Maintaining social capital requires the participation of at least two parties; the recipient alone can not update it independently of others (Lesser 2000). It was considered advisable for national macro-economic policy to encourage the development of companies that possess this kind of social capital to which a less hierarchical social structure has contributed, as well as a close relationship between leaders and their employees (for example linking social capital), cohesive staff networks promoted by the company leaders and a corporate culture of reciprocity as the norm. The details are as follows:

#### **The research has identified**

- 1) Findings which are considered new in the context of the Chinese rural worker migration**
- 2) Findings which agreed with current thinking**

The findings expound the assimilation process of rural migrant workers in private companies and SOEs and the influence of pre-existing urban employees in these organisations on them, the contribution of social capital to the above assimilation process in the context of the Marxist and rational strains of social capital theory and the motivation of rural migrants moving to urban communities in China.

### **6.2 Findings which are considered new in the context of Chinese rural worker migration**

#### **6.2.1 Trust, reciprocity and benefit in private companies and the deficiencies identified in the rational strain of social capital theory**

The rational strain of social capital theory (Coleman 1990a and Becker 1990) has been integrated into the research of private companies in this study. Coleman (1994) sought to integrate economic and social theory on the basis of rational choice theory (Field 2008). As a consequence of such individualistic rationality assumptions regarding the nature of human action as utility-maximisers, the rational strain of social capital theory understood trust among actors as a horizontally thin,

organisational network which functions to bridge and coordinate individual action (Hardin 2000). However, social capital in private companies acts on the premise of mutual benefit and reciprocity in China in this study.

According to this research, there was a greater extent of mutual trust between those with non-agricultural and agricultural hukou in private companies; social capital in private companies acted on the premise of mutual benefit (See 5.4.1). Therefore, rural migrant workers could gain access to resources from non-agricultural people or managers to promote their career/life in private ownership. Rural migrant workers who worked in private companies could be better included within urban communities. Generalized trust created the basis for “broad reciprocity”; trust created reciprocity and voluntary associations, reciprocity and associations strengthened and produced trust (Putnam 1993). Therefore, there was a greater extent of mutual reciprocity between people with a non-agricultural hukou and people with an agricultural hukou in private companies. Further, as described in 5.7 (Influence of pre-existing urban residents and job opportunities), non-rural migrant workers contributed to the economic well-being and welfare of staff with “agricultural household registration” status, and introduced skills to them more often in the private companies than in the state owned enterprise. As a result, in this study, social capital in the private companies acted on the premise of mutual benefit and reciprocity. The reasons are as follows (6.1.2 and 6.1.3):

#### **6.2.2 Meritocracy, less hierarchical company system (social structures in companies) and a participative style of leadership in private companies:**

Graduates tended to prefer SOEs because they had more job security (job for life), stable wages, pension, medical care and a rigidly structured promotion system.

Rural migrant workers were, generally, not as well educated, therefore were not graduates, and this disadvantaged them in the state owned sector. In the private sector meritocracy was better embraced with good performance being rewarded. Private companies adopted a performance pay system and linked base pay to performance. This energised and created a great deal of enthusiasm in rural migrant workers and deserved recommendation. A less hierarchical system in private companies provided an organisational environment for employees to engage closely

with employers together with a closer relationship between employers and employees (thereby giving employees support and care during their lives), thus social capital was created, which was evidenced by more cohesion within private companies and an obvious contribution to employees' hopes and expectations with respect to their perceived career progression. This finding linked with and related to Snyder's Hope Theory (For details, see 5.1).

### **6.2.3 Shared values and support for rural migrant workers in private companies:**

From the rural migrant workers' perspective, promotion opportunities were much greater in the private sector than in the state owned sector. Rural migrant workers in private companies had more power to make important decisions that could change the course of their lives and had more control over decisions that affected their everyday work than those working for SOEs. The reasons for this and methods for promoting the inclusion of rural migrant workers within urban communities are as follows:

In this study, home culture in private companies was based on a shared vision, common values, a common system of rules and common behaviour habits, along with pursuing long-term development which incorporated an enterprise's value with individuals' value and continued to inspire a sense of ownership and a sense of mission. Company leaders and employees were loyal to each other and trusted each other. The leaders took care of employees and cared about their lives. This contributed to employees constructing a solid emotional underpinning with kinship and friendship and created a happy collective of respect. For details, see 5.1. Besides, in this study, some private companies helped rural migrant workers with bridging social capital by providing them with a form of mentoring support. That is the company decentralised arrangements for rural workers so that they could shadow an experienced urban worker so as to learn the necessary skills and habits. The company rented out low cost housing for rural migrant workers. Furthermore, fair competition fostered technical confidence in private companies. That is performance was monitored and rewarded and through competition, outstanding skilled workers came to the fore. This energises and creates a great deal of enthusiasm in workers.

The encouragement of competition also gave rural workers a great sense of purpose. Moreover, private companies did not discriminate in their treatment of people; both urban and rural workers were treated fairly; individuals' performance pay systems were adopted and base pay was linked to performance; performance pay also depends on the company's overall economic efficiency. As far as the occupational planning for rural migrant workers with lower educational attainment was concerned, barriers to entry to the SOEs could therefore be seen to be comparatively higher for them. However, outstanding rural migrant workers, even those with lower educational attainment, had the opportunity to be promoted to management and to participate in management decisions in the private companies. This was one of the reasons why rural migrant workers experienced more career promotion in private companies. For that reason, this kind of system within private companies can create a fair platform for every employee to give play to their capabilities to the fullest without unnecessary interference. This could also assist in raising the confidence of diligent rural migrant workers at work. This was also a basis for career advancement of rural migrant workers and urban workers. For details, see 5.11. Consequently, the organisational system, culture and operation model that could be designed to assist in achieving a higher performance from employees could also help rural migrant workers improve their competencies and be better integrated in urban society.

#### **6.2.4 Civic participation: weakness of Mao's industrial practice with cohesion and bonding**

Workers' participation and collectivism, which were contributed to by Mao's industrial practice as described by Zheng (2004) (see 3.1), prescribed that the civic participation which is promoted by the state leads to cohesion and bonding in the population. However, the research completed in this study did not provide the evidence to support this in the report of the SOE investigated. It can be concluded that such cohesion and bonding have either been eroded or no longer applies in SOEs such as the one investigated in this research. According to the democratic strain of social capital theory, associated actors are social facts that cultivate the "habits of acting together in the affairs of daily life" upon which democratic society depends (Tocqueville 1969). In this case study, the SOE does not have the effective

democratic strain of social capital. On the contrary, social capital in private companies acts on the premise of mutual benefit and reciprocity in China in this study. The research indicates that promoting private companies and characteristics will therefore address this aspect of weakness in SOEs.

#### **6.2.5 Opportunities for career progression and motivation of employees between private companies and SOEs and the deficiencies identified in the Marxist strain of social capital theory:**

The current research was able to establish that the social structure within organisations helps with career progression and that this is different between SOE and private companies.

The research shows that the job stability of regular employees who worked in the state sector was good; their wages were stable and their welfare was good; rarely were regular employees who worked in units under ownership by the whole population dismissed as long as they remained on the right side of the law. This explains the reasons why graduates from rural areas preferred to choose to work in SOEs and why this made it hard for private companies to attract and employ highly skilled graduates (For details, see 5.2 (2)). However, a disadvantage of SOE is that there exists a rigid promotion system and surplus labour, leading to inefficiency.

In addition, the policy of equal pay for equal work in the SOE did not relate to the real amount of work employees actually did and so it did not, encourage responsibility, quality or improvement in the performance of individuals or groups on the whole. In terms of the Marxist strain of social capital that delivered reliable expectations concerning the behaviour of others (Lewandowski 2006), social capital here did not provide a positive incentive which could be relied upon. Notwithstanding all this SOEs were still attractive for graduates from rural communities.

According to Snyder's Hope Theory (Snyder *et al.* 2008), hope required that aspirants come up with effective pathways for reaching their desired goals. The "agency thoughts"/motivation of employees in the SOE were not high. This explained the reason why people who worked in private companies perceived that they experienced more career progressions than people who worked in the SOE. For



example, from the interviews it is evident that staff who held a degree, or above, in the SOE needed at least three years to become a vice section chief and yet another three years to become a section chief. If they do not make any mistakes, in another five years they may become Deputy Director and then a further five years is required to become director general. The system for the evaluation of work was strict. Employees could not be promoted more than one grade at a time. In the process of work evaluation, if they made any mistakes their promotion would be delayed or would not be achieved. Therefore people did not work with a huge degree of enthusiasm in the state-owned enterprise (For details see the analysis of the factors that hindered effective leadership in the SOE in 5.2 (1)). Further, staff with “agricultural household registration” status in the SOE were least hopeful of all of the groups that they would receive any help from their employers (See 5.2 (1)).

The intra-group bonding social capital is described in the Marxist strain of social capital theory (Bourdieu 1986) (see 3.1). However, it became evident that the strain of Marxist social capital involved in state-owned business was not a determining factor which influenced people’s working enthusiasm and mutual trust and cooperation in intra-group - bonding social capital.

In order to create more hope for employees who worked in the SOE, it would be necessary to raise employees’ “agency” thoughts (to call forth motivation to use the routes that could enable them to reach their goals). There were some referential experiences from private companies as follows: employers could contribute to cohesion strength among their staff; private company’s characteristics of less hierarchical company management systems / social structures and employers’ closer relationship with their employees (bridging and linking social capital) in private companies and cohesion among employees could contribute to employees’ hopes and their perceived career progression.

On a macro level private companies are successful in including rural migrants into the urban economy and society. These companies can do it faster than SOEs. Some of the reciprocal norms, faster career progression and less hierarchical structures are evident in these private companies.

As such, and to address the weakness identified in the Marxist strain of social capital

a conclusion from this research is that government should implement best practice by encouraging the development of private organisations more widely. SOEs should also be encouraged to implement the correct management structure (and career paths plus training and education) and privatize the parts of their business that are in competitive sectors.

#### **6.2.6 The role of acquaintances and leadership in career progression:**

There were more acquaintances acting as resources in career progression in the SOEs than in private companies. Acquaintances had actually helped staff with “agricultural household registration” status, staff changing from ‘agricultural to non-agricultural’ status, and urban citizens in the SOE compared with acquaintances in private companies. (See 5.2 (1)). However, people who worked in the SOEs were less likely to receive help from their employers than those who worked in private companies. (See 5.2 (1)). In terms of help, it was important to care about employees’ lives, carry out human-based management programmes and understand employees’ difficulties and states of mind to help solve their difficulties (See 5.1.1). The private companies have done relatively good work regarding the issue of employees’ career progression in this sample.

The promotion system of the SOE was rigid. This was not good for the development of coordination of leadership activities. Leaders were not encouraged to break out of their routine to seek out able personnel (See 5.2. (1)).

Strong networks of informal relationships (for example, strong networks of acquaintances - bridging social capital) could only be positively associated with leadership activities in companies when there was flexible employment and opportunities for promotion to all talents.

This study provided another new insight in that only where there was a flexible employment and promotion system, and a career development that was open to all talents, could strong networks of informal relationships such as acquaintances be positively associated with effective leadership in corporations (See Chapter 5.2 (1)).

### **6.2.7 Educational attainment:**

With an increase in the length of education, rural migrant workers showed an increase in preference for working in the city. Rural migrant workers with lower educational attainment (that is, only high school) still relied on their relatives and friends to seek and secure jobs for them in cities while those with graduate level education applied directly. In addition, graduates who were from the countryside could also benefit because they were able to gain easier access to heterogeneous connections in companies. For details, see 5.5 and 5.6.

The research also showed that the group of rural workers with junior college educational attainment from a vocational technical college had higher trust in co-workers, in private companies.

### **6.2.8 Gender in social cohesion:**

There were significant gender differences which manifested themselves in the ability to create harmonious relationships between agricultural and nonagricultural hukou groups. Bonding social capital was seen to be significantly stronger in women. Female rural migrant workers interacted with colleagues more than males. This also explained why female rural migrant workers thought their working environment was more harmonious than males. Male rural migrant workers needed to strengthen interaction with their colleagues. Activities that were organised by companies would help to strengthen interaction with their colleagues (see 5.9).

### **6.2.9 Motivation for rural migrant workers' moving to urban communities and urbanisation and cost of urban lifestyle:**

The research revealed the main motivation for rural migrant workers' moving to urban communities was their longing for an urban life. Their experience of the rural infrastructure indicated that it was inferior compared with that found in the city; in comparative terms, they found that job opportunities and career prospects in cities far outweighed those in the rural communities; educational opportunities at primary and secondary levels in cities could not be matched by those in their home territories (See 5.8).

The research highlighted difficulties experienced by rural migrant workers as a result of urbanisation when many peasants who had been compensated for their land which had been acquired for urbanisation found it hard to restart their careers in the cities. They found this transition difficult. Rural migrant workers in the city with lower educational attainment felt they lagged behind urban workers in many respects. Rural migrant workers with lower educational attainment liked to make friends with other people also from rural areas. They felt that they could not compete with urban citizens. Peasants regarded themselves as educationally inferior and thought urban citizens had good educational attainment. They felt that they were unable to achieve better life-development in the cities and could not compete with urban citizens (See 5.8). Peasants' skills were not transferable and if they worked in the city they needed to increase their skills and upgrade their vocational training.

In terms of “Zong he su zhi” (comprehensive capability such as knowledge, ability and professional skills), there was a gap between rural migrant workers who had lower educational attainment compared with urban workers who had broadly similar academic backgrounds when their vocational skills and overall capability were compared. It was therefore deemed important to enhance rural migrant workers' vocational educational attainment and welfare in cities. People with higher educational attainment, especially those with junior college educational attainment, had more confidence than people with lower educational attainment when they migrated to the city. With an increase in the length of education, rural workers would become more urbanised. Rural workers with junior college educational attainment, such as that obtained from a vocational technical college, were the most urbanised. Generally, with an increase in the length of their education, rural migrant workers showed an increased preference for working in the city. The research also demonstrated that rural migrant workers needed to actively master one technical skill because a college degree was more vocationally directed and opened more opportunities than a university degree. It focused attention on the great value of vocational education (See 5.8).

The improvement of rural infrastructure, educational resources and people's living standards in rural areas would contribute to rural workers' educational attainment, and would give them more confidence to migrate to cities. Urbanisation would

contribute to the development of rural areas' basic infrastructure, since villages are dispersed, basic infrastructures were not good. Villagers lived in flats, thereby raising the utilization of land. Through bringing together people, efforts could be concentrated on building communities. More public facilities could be built (See 5.8 and Appendix IV part 2). Moreover, it was important to strengthen rural workers' welfare and incomes when they migrated to cities, thus giving them hope for a good life in the future (See 5.8).

#### **6.2.10 Hukou system:**

Concerning the hukou system, it was found that employees who changed their agricultural status to non-agricultural status had more access to vertical social capital. Consequently, hukou status was integral to workers' job satisfaction. The recent reforms should be welcomed since the differences between the agricultural and non-agricultural hukou were discriminatory against those with the agricultural hukou.

### **6.3 Findings that confirm earlier research**

#### **6.3.1 Agreement with Granovetter:**

Those dissatisfied with their progression possessed weaker social capital and stronger bonding social capital. Those who were not satisfied with their career progression tended to rely mostly on family members. The results of the analysis were consistent with the theory of social capital relating to strong ties (Granovetter 1973: 1361, *cited by* Edwards *et al.* 2007). Those dissatisfied with career progression were less happy with the role of their employers than those who were satisfied. This suggested that vertical social capital was also stronger for those with more career progression in the SOE. Again for private companies, those dissatisfied tended to be more reliant on family members than those who were satisfied with their progression. They were also less appreciative of help from their employers. In terms of social capital, the dissatisfied had weaker vertical social capital and stronger bonding social capital.

#### **6.3.2 Agreement with Bourdieu:**

Although there was equal pay for equal work, indentured workers' jobs were less secure compared with the jobs of regular staff under ownership by the entire people. (State Owned Enterprises were also referred to as enterprises "owned by the entire people" (Peverelli and Song 2012). Generally, rural migrant workers (with lower educational attainment) were not offered permanent jobs despite their fundamental function within the labour system which was vital for the economic success of the enterprise. Further, rural migrant workers could obtain more power to make important decisions that could change the course of their life and were able to control slightly more decisions that affected their everyday work in private companies than the SOE in this sample. Rural migrant workers did not have more social resources in the SOE.

The above point agreed with current thinking. Social capital in the Marxist strain of social capital theory (Bourdieu 1986) was highly group-specific, context-dependent and a socially stratifying resource.

## **6.4 Recommendations**

6.4.1. Private companies needed to be vigorously expanded because they were more efficiently able to drive the economy. This requires the government to further streamline administration and delegated power to lower levels and to build taxation and financing support systems. Employees in private companies, generally, tried their best to work more, and thus earn more, as their wage rates were calculated on a time basis, or on an incentive basis according to the volume of work performed. Employees in private companies did rather better in efficiency, commitment and responsibility than those in SOEs.

6.4.2 Further streamlining administration and power to lower levels will, according to the study results, invigorate SOEs through staff reduction, a clear cut division of labour, and everyone clear about their specific responsibilities. It is also clear that a competitive post system and proportional personnel allocation method should be adopted. This will improve efficiency in SOEs. For details, see 5.11.

6.4.3 Build an equal recruitment system in companies.

6.4.4 Improve social security systems in conjunction with enhanced consciousness together with self-protection through employment rights. (See 5.11).

6.4.5 Companies, and society as a whole, should provide all staff with appropriate training and education in order that they are able to meet the needs of a changing work environment and be 'fit for purpose'. (See chapter 5.11). This is especially true for rural migrant workers if they are to fit the companies' needs and thereby contribute to society and the economies development. The development of technical schools and junior colleges and special secondary schools will provide companies with an increased proportion of skilled rural migrant workers to contribute to the company's production. It is imperative to provide timely and relevant on-the-job vocational and technical training for rural migrant workers in companies. This will also help improve rural migrant workers relationships with, and trust in, urban citizens. If government, companies and society working together provide better security for them and include them in the company and urban society, they will become a well-motivated force for the development and prosperity of society.

## **6.5 Limitations**

Because of the limiting parameters (time and resource) relating to the research, sample data was collected from several private companies and one state owned enterprise in two cities in Shandong Province. Consequently, the data could be influenced by regionalism. Additionally, because of China's special political economic system, this research was only conducted within China's environment and did not compare to any problems or successes of migration found in other countries. Because of limited time and resources this study did not evaluate and internationally compare social capital in organisations from different nations. Acturally this study is valuable because in china particular macroeconomic environment businesses are similar. The social structures and the social capital in private companies identified in this study contribute to employees' cohesion, which deserves recommendations.

The results emanating from the data collected, however, enable a valuable qualitative and quantitative evaluation of the objectives and given the sample size and approach are indicative of the group on which the study focuses through the objectives set.

The four private companies and one large state owned enterprise in this study may not be representative of the wide economy of Shandong Province but are considered representative enough to be an adequate indicator of the overall situation. A case study approach was adopted because such investigations provide the opportunity for gaining deep insight with an all in-depth analysis and more thorough understanding of the issues. Shandong, as important as it is, within the larger Chinese economy nevertheless provides enough of an insight for the evaluation to be valuable especially as Chinese companies are all influenced by the macroeconomic policy of China.

This study was designed to focus on the integration of migrant workers within the workplace as this is a key area of interest and concern. A nation's management philosophy can be achieved through company management models/company systems/institutions at the meso level. Thus, the study was able to embrace the national social issues concerning integration.

## **6.6 Future Research**

During the pursuit of the study and the evaluation of the data collected it became obvious that there are further areas of related relevant research which could usefully be pursued that were outside of the objectives of this work. These are:

1. Further evaluation of social capital in organisations via international comparison between developing and developed nations.
2. Additional comparisons with social capital in companies from other Chinese provinces should be developed to provide more valuable information which can facilitate social inclusion.
3. Comparisons between chosen SOEs and private companies and FDI based private companies.



4. Longitudinal studies on the companies investigated in this case study.

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## Appendix I

### **Data analysis**

## Appendix I

### Data Analysis

**Figure A1**-the correlation analysis of the first several chosen choices of people who have had career progression available in the private companies for question 5, 6 and 7 respectively

	Vii hope boss help	V hope colleague help	Iv hope friends help	V colleagues actually helped	Iv friends actually helped	Vii boss actually helped	Vii boss likely help	Iv friends likely help	V colleagues likely help
Vii hope boss help Pearson Correlation	1	.054	-.373**	.053	-.178**	.640**	.693**	-.356**	.096*
V hope colleague help Pearson Correlation	.054	1	.072	.636**	.109*	.054	.136**	.050	.602**
Iv hope friends help Pearson Correlation	-.373**	.072	1	.026	.397**	-.203**	-.254**	.573**	.161**
V colleagues actually helped Pearson Correlation	.053	.636**	.026	1	.067	.150**	.232**	.006	.558**
Iv friends actually helped Pearson Correlation	-.178**	.109*	.397**	.067	1	-.310**	-.166**	.391**	.160**
Vii bosses actually helped Pearson Correlation	.640**	.054	-.203**	.150**	-.310**	1	.712**	-.222**	.072
Vii boss likely help Pearson Correlation	.693**	.136**	-.254**	.232**	-.166**	.712**	1	-.331**	.128**
Iv friends likely help Pearson Correlation	-.356**	.050	.573**	.006	.391**	-.222**	-.331**	1	.009
V colleagues likely help Pearson Correlation	.096*	.602**	.161**	.558**	.160**	.072	.128**	.009	1

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Detailed correlation form sees as follows:

Figure A 2

### Mann-Whitney Test



		Viihope e boss help	Vhope colleag uehelp	lvhope friends help	Vcoll eagu esactu allyhel ped	lvfrien dsactu allyhel ped	Viibos ses actuall yhelpe d	Viibo sslik ely help	lvfrien dslikel y help	Vcoll eagu es likel y help
Pearson Correlation		1	.054	-.373**	.053	-.178**	.640**	.693*	-.356**	.096*
Sig. (2-tailed)	vii hope boss help		.272	.000	.272	.000	.000	.000	.000	.049
N		448	416	423	424	425	433	438	419	423
Pearson Correlation	V hope colleague help	.054	1	.072	.636*	.109*	.054	.136*	.050	.602*
Sig. (2-tailed)		.272		.143	.000	.026	.271	.005	.311	.000
N		416	436	419	425	415	415	416	418	422
Pearson Correlation	lv hope friends help	-.373**	.072	1	.026	.397**	-.203**	.254*	.573**	.161*
Sig. (2-tailed)		.000	.143		.594	.000	.000	.000	.000	.001
N		423	419	442	423	424	424	424	427	421
Pearson Correlation	V colleagues actually helped	.053	.636**	.026	1	.067	.150**	.232*	.006	.558*
Sig. (2-tailed)		.272	.000	.594		.167	.002	.000	.904	.000
N		424	425	423	446	423	424	426	422	430
Pearson Correlation	lv friends actually helped	-.178**	.109*	.397**	.067	1	-.310**	.166*	.391**	.160*
Sig. (2-tailed)		.000	.026	.000	.167		.000	.001	.000	.001
N		425	415	424	423	442	424	423	430	422
Pearson Correlation	Vii bosses actually helped	.640**	.054	-.203**	.150*	-.310**	1	.712*	-.222**	.072
Sig. (2-tailed)		.000	.271	.000	.002	.000		.000	.000	.139
N		433	415	424	424	424	444	435	417	421
Pearson Correlation	Vii boss likely help	.693**	.136**	-.254**	.232*	-.166**	.712**	1	-.331**	.128*
Sig. (2-tailed)		.000	.005	.000	.000	.001	.000		.000	.008
N		438	416	424	426	423	435	446	418	420
Pearson Correlation	lv friends likely help	-.356**	.050	.573**	.006	.391**	-.222**	.331*	1	.009
Sig. (2-tailed)		.000	.311	.000	.904	.000	.000	.000		.859
N		419	418	427	422	430	417	418	438	419
Pearson Correlation	V colleagues likely help	.096*	.602**	.161**	.558*	.160**	.072	.128*	.009	1
Sig. (2-tailed)		.049	.000	.001	.000	.001	.139	.008	.859	
N		423	422	421	430	422	421	420	419	439

\*\* . Correlation is significant at the 0.01 level (2-tailed).

## Ranks

	4	N	Mean Rank	Sum of Ranks
10	ii state-owned company	159	193.96	30840.00
	iii private company	333	271.59	90438.00
	Total	492		

**Test Statistics<sup>a</sup>**

	9
Mann-Whitney U	18120.000
Wilcoxon W	30840.000
Z	-5.803
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: 4

In Figure A 2, the Z value is -5.803 with a significance level of  $p=0.000$ . The probability value (p) is less than 0.05, so the result is significant.

Figure A 3

### Mann-Whitney Test

**Ranks**

	4	N	Mean Rank	Sum of Ranks
11	ii state-owned company	152	181.92	27652.50
	iii private company	332	270.23	89717.50
	Total	484		

**Test Statistics<sup>a</sup>**

	10
Mann-Whitney U	16024.500
Wilcoxon W	27652.500
Z	-6.617
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: 4

Figure A 4

### Mann-Whitney Test

**Ranks**

	28	N	Mean Rank	Sum of Ranks
5 iFamily members	i.Yes	60	71.10	4266.00
	ii.No	67	57.64	3862.00
	Total	127		

**Test Statistics<sup>a</sup>**

	5 i
Mann-Whitney U	1584.000
Wilcoxon W	3862.000
Z	-2.120
Asymp. Sig. (2-tailed)	.034

a. Grouping Variable: 28

Figure A 5

### Mann-Whitney Test

Ranks				
	28	N	Mean Rank	Sum of Ranks
5 i	i.Yes	222	168.19	37338.50
	ii.No	95	137.52	13064.50
	Total	317		

Test Statistics <sup>a</sup>	
	5 i
Mann-Whitney U	8504.500
Wilcoxon W	13064.500
Z	-2.781
Asymp. Sig. (2-tailed)	.005

a. Grouping Variable: 28

Figure A 6

### Mann-Whitney Test

Ranks				
	28	N	Mean Rank	Sum of Ranks
ii	i.Yes	221	161.06	35595.00
	ii.No	87	137.83	11991.00
	Total	308		

Test Statistics <sup>a</sup>	
	ii
Mann-Whitney U	8163.000
Wilcoxon W	11991.000
Z	-2.101
Asymp. Sig. (2-tailed)	.036

a. Grouping Variable: 28

Figure A 7

### Mann-Whitney Test

Ranks				
	28	N	Mean Rank	Sum of Ranks
vii	i.Yes	231	148.31	34260.50
	ii.No	87	189.20	16460.50
	Total	318		

Test Statistics <sup>a</sup>	
	vii
Mann-Whitney U	7464.500

Wilcoxon W	34260.500
Z	-3.646
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: 28

Figure A 8

### Kruskal-Wallis Test

Ranks			
	household registration	N	Mean Rank
5 i	Pn	79	264.27
	Pa	167	247.81
	Pu	83	222.85
	Sn	37	255.39
	Sa	30	324.15
	Su	84	184.62
	Total	480	

Test Statistics <sup>a,b</sup>	
	5 i
Chi-Square	30.319
df	5
Asymp. Sig.	.000

a. Kruskal Wallis Test

b. Grouping Variable:  
household registration

Figure A 9

### Kruskal-Wallis Test

Ranks			
	household registration	N	Mean Rank
iii	Pn	79	242.32
	Pa	168	252.53
	Pu	77	281.30
	Sn	37	207.49
	Sa	30	141.70
	Su	78	193.06
	Total	469	

Test Statistics <sup>a,b</sup>	
	iii
Chi-Square	36.118
df	5
Asymp. Sig.	.000

a. Kruskal Wallis Test

b. Grouping Variable:  
household registration

Figure A 10

## Kruskal-Wallis Test

### Ranks

	household registration	N	Mean Rank
vii	Pn	81	212.90
	Pa	170	223.46
	Pu	79	214.58
	Sn	36	226.43
	Sa	30	305.50
	Su	77	293.51
	Total	473	

### Test Statistics<sup>a,b</sup>

	vii
Chi-Square	28.484
df	5
Asymp. Sig.	.000

a. Kruskal Wallis Test

b. Grouping Variable:  
household registration

## Figure A11

### lii acquaintances

#### Ranks

	4	N	Mean Rank	Sum of Ranks
iii	ii state-owned company	152	183.94	27959.50
	iii private company	317	259.48	82255.50
	Total	469		

### Test Statistics<sup>a</sup>

	iii
Mann-Whitney U	16331.500
Wilcoxon W	27959.500
Z	-5.719
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: 4

## Figure A12

## Mann-Whitney Test

### ii Relatives

#### Ranks

	4	N	Mean Rank	Sum of Ranks
ii	ii state-owned company	147	205.40	30194.00
	iii private company	313	242.29	75836.00

Total	460		
-------	-----	--	--

#### Test Statistics<sup>a</sup>

	ii
Mann-Whitney U	19316.000
Wilcoxon W	30194.000
Z	-2.818
Asymp. Sig. (2-tailed)	.005

a. Grouping Variable: 4

Figure A13

### Mann-Whitney Test

vii bosses

#### Ranks

	4	N	Mean Rank	Sum of Ranks
vii	ii state-owned company	150	281.09	42164.00
	iii private company	323	216.52	69937.00
	Total	473		

Figure A14

vii bosses

### Mann-Whitney Test

#### Ranks

	4	N	Mean Rank	Sum of Ranks
vii	ii state-owned company	145	267.36	38766.50
	iii private company	319	216.66	69113.50
	Total	464		

#### Test Statistics<sup>a</sup>

	vii
Mann-Whitney U	18073.500
Wilcoxon W	69113.500
Z	-3.913
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: 4

Figure A15

iii acquaintances

### Mann-Whitney Test

#### Ranks

	4	N	Mean Rank	Sum of Ranks
iii	ii state-owned company	143	190.83	27288.00
	iii private company	316	247.73	78282.00
	Total	459		

#### Test Statistics<sup>a</sup>

	iii
Mann-Whitney U	16992.000
Wilcoxon W	27288.000
Z	-4.314
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: 4

Figure A16

#### Ranks

	household registration	N	Mean Rank
Vi Line	Pn	78	261.52
Managers	Pa	162	224.46
	Pu	78	228.78
	Sn	37	162.95
	Sa	30	215.27
	Su	74	249.69
	Total	459	

#### Test Statistics<sup>a,b</sup>

	vi
Chi-Square	16.548
df	5
Asymp. Sig.	.005

a. Kruskal Wallis Test

b. Grouping Variable:  
household registration

Figure A17

Vii bosses

### Mann-Whitney Test

#### Ranks

	4	N	Mean Rank	Sum of Ranks
vii	ii state-owned company	152	277.42	42168.00
	iii private company	324	220.24	71358.00
	Total	476		

#### Test Statistics<sup>a</sup>

	vii
Mann-Whitney U	18708.000
Wilcoxon W	71358.000
Z	-4.433
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: 4

Figure A18

lii acquaintances

### Mann-Whitney Test

Ranks				
	4	N	Mean Rank	Sum of Ranks
iii	ii state-owned company	141	197.68	27872.50
	iii private company	319	245.01	78157.50
	Total	460		

#### Test Statistics<sup>a</sup>

	iii
Mann-Whitney U	17861.500
Wilcoxon W	27872.500
Z	-3.567
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: 4

Figure A19

### Mann-Whitney Test

Ranks				
	household registration	N	Mean Rank	Sum of Ranks
	Sn	37	26.66	986.50
vii	Sa	30	43.05	1291.50
	Total	67		

#### Test Statistics<sup>a</sup>

	vii
Mann-Whitney U	283.500
Wilcoxon W	986.500
Z	-3.472
Asymp. Sig. (2-tailed)	.001

a. Grouping Variable: household registration

Figure A 20

### Mann-Whitney Test

Ranks				
	household registration	N	Mean Rank	Sum of Ranks
	Sa	30	64.03	1921.00
vii	Su	78	50.83	3965.00
	Total	108		

#### Test Statistics<sup>a</sup>

	vii
--	-----



Mann-Whitney U	884.000
Wilcoxon W	3965.000
Z	-2.021
Asymp. Sig. (2-tailed)	.043

a. Grouping Variable: household registration

Figure A 21

## Mann-Whitney Test

### Ranks

	4	N	Mean Rank	Sum of Ranks
25	ii state-owned company	170	239.65	40740.50
	iii private company	354	273.47	96809.50
	Total	524		

### Test Statistics<sup>a</sup>

	25
Mann-Whitney U	26205.500
Wilcoxon W	40740.500
Z	-2.565
Asymp. Sig. (2-tailed)	.010

a. Grouping Variable: 4

Figure A22

## Kruskal-Wallis Test

### Ranks

	household registration	N	Mean Rank
26	Pn	87	292.60
	Pa	194	256.79
	Pu	86	276.27
	Sn	35	280.80
	Sa	30	214.30
	Su	92	241.97
	Total	524	

### Test Statistics<sup>a</sup>

	25
Mann-Whitney U	1374.000
Wilcoxon W	5652.000
Z	-1.355
Asymp. Sig. (2-tailed)	.175

a. Grouping Variable: household registration

Figure A 23

## Mann-Whitney Test

### Ranks

	household registration	N	Mean Rank	Sum of Ranks
25	Pn	87	154.12	13408.50
	Pa	194	135.12	26212.50
	Total	281		

#### Test Statistics<sup>a</sup>

	25
Mann-Whitney U	7297.500
Wilcoxon W	26212.500
Z	-1.953
Asymp. Sig. (2-tailed)	.051

a. Grouping Variable: household registration

Figure A 24

### Mann-Whitney Test

#### Ranks

	household registration	N	Mean Rank	Sum of Ranks
25	Pn	87	63.56	5530.00
	Sa	30	45.77	1373.00
	Total	117		

#### Test Statistics<sup>a</sup>

	25
Mann-Whitney U	908.000
Wilcoxon W	1373.000
Z	-2.749
Asymp. Sig. (2-tailed)	.006

a. Grouping Variable: household registration

Figure A25

### Mann-Whitney Test

#### Ranks

	4	N	Mean Rank	Sum of Ranks
27	ii state-owned company	172	201.98	34740.00
	iii private company	353	292.73	103335.00
	Total	525		

#### Test Statistics<sup>a</sup>

	26
Mann-Whitney U	19862.000
Wilcoxon W	34740.000
Z	-7.059
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: 4

Figure A26

### Mann-Whitney Test

#### Ranks

	household registration	N	Mean Rank
27	Pn	87	318.80
	Pa	192	294.35
	Pu	89	252.80
	Sn	37	190.04
	Sa	30	190.53
	Su	94	220.07
	Total	529	

#### Test Statistics<sup>a,b</sup>

	26
Chi-Square	51.386
df	5
Asymp. Sig.	.000

a. Kruskal Wallis Test

b. Grouping Variable:  
household registration

Figure A 27

### Mann-Whitney Test

#### Ranks

	4	N	Mean Rank	Sum of Ranks
18	ii state-owned company	143	213.10	30474.00
	iii private company	333	249.41	83052.00
	Total	476		

#### Test Statistics<sup>a</sup>

	18
Mann-Whitney U	20178.000
Wilcoxon W	30474.000
Z	-2.896
Asymp. Sig. (2-tailed)	.004

a. Grouping Variable: 4

Figure A 28

### Mann-Whitney Test

#### Ranks

	4	N	Mean Rank	Sum of Ranks
19	ii state-owned company	163	202.00	32926.50
	iii private company	329	268.55	88351.50
	Total	492		

### Test Statistics<sup>a</sup>

	19
Mann-Whitney U	19560.500
Wilcoxon W	32926.500
Z	-5.479
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: 4

Figure A 29

### Kruskal-Wallis Test

#### Ranks

	age	N	Mean Rank
20	21.0	74	225.17
	27.0	143	259.41
	32.0	124	242.43
	37.0	56	211.31
	42.0	50	214.06
	47.0	24	200.02
	Total	471	

### Test Statistics<sup>a,b</sup>

	19
Chi-Square	12.267
df	5
Asymp. Sig.	.031

a. Kruskal Wallis Test

b. Grouping Variable: age

Figure A 30

### Kruskal-Wallis Test

#### Ranks

	household registration	N	Mean Rank
18	Pn	82	161.80
	Pa	189	175.67
	Sn	29	126.60
	Sa	27	129.11
	Total	327	

### Test Statistics<sup>a,b</sup>

	18
Chi-Square	13.910
df	3
Asymp. Sig.	.003

a. Kruskal Wallis Test

b. Grouping Variable:  
household registration

Figure A31

### Mann-Whitney Test

#### Ranks

	household registration	N	Mean Rank	Sum of Ranks
19	Pu	87	101.82	8858.50
	Su	91	77.72	7072.50
	Total	178		

#### Test Statistics<sup>a</sup>

	19
Mann-Whitney U	2886.500
Wilcoxon W	7072.500
Z	-3.455
Asymp. Sig. (2-tailed)	.001

a. Grouping Variable: household registration

Figure A32

### Frequency Table

A

	Frequency	Valid Percent
Valid	1	148
	2	326
	3	48
	4	4
	Total	526
		100.0

B

	Frequency	Valid Percent
Valid	1	64
	2	262
	3	165
	4	25
	Total	516
		100.0

C

	Frequency	Valid Percent
Valid	1	144
	2	308
	3	63
	4	6
		27.6
		59.1
		12.1
		1.2

Total	521	100.0
-------	-----	-------

D

	Frequency	Valid Percent
Valid 1	76	14.6
2	252	48.5
3	163	31.3
4	29	5.6
Total	520	100.0

Figure A 33

### Mann-Whitney Test

#### Ranks

	4	N	Mean Rank	Sum of Ranks
31 ii state-owned company		68	172.69	11743.00
iii private company		229	141.97	32510.00
Total		297		

#### Test Statistics<sup>a</sup>

	31
Mann-Whitney U	6175.000
Wilcoxon W	32510.000
Z	-3.194
Asymp. Sig. (2-tailed)	.001

a. Grouping Variable: 4

Figure A34

### Kruskal-Wallis Test

#### Ranks

	educ length	N	Mean Rank
13 junior school		79	167.28
senior high school		111	173.60
junior college		92	174.77
university		75	204.52
Total		357	

#### Test Statistics<sup>a,b</sup>

	13
Chi-Square	7.909
df	3
Asymp. Sig.	.048

a. Kruskal Wallis Test

b. Grouping Variable: educ  
length

Figure A35

### Kruskal-Wallis Test

Ranks

	8	N	Mean Rank
13	i.o-1000yuan	29	252.69
	ii.1000-2000yuan	190	259.66
	iii.2000-3000yuan	169	255.61
	iv.3000-4000yuan	60	190.96
	v.4000-5000yuan	26	206.75
	vi.5000-6000yuan	6	319.17
	vii.6000-7000yuan	5	229.00
	viii.7000-8000yuan	4	229.00
	ix.above 8000	2	58.00
	Total	491	

Test Statistics<sup>a,b</sup>

	13
Chi-Square	24.403
df	8
Asymp. Sig.	.002

a. Kruskal Wallis Test

b. Grouping Variable: 8

Figure A36

### Kruskal-Wallis Test

Ranks

	educ length	N	Mean Rank
17 A	primary school	3	310.00
	junior school	111	298.91
	senior high school	146	272.86
	junior college	148	227.06
	university	108	257.18
	post graduate	7	242.71
	Total	523	

Test Statistics<sup>a,b</sup>

	17 A
Chi-Square	21.342
df	5
Asymp. Sig.	.001

a. Kruskal Wallis Test

b. Grouping Variable: educ  
length

Figure A 37

### Kruskal-Wallis Test

#### Ranks

	educ length	N	Mean Rank
17 A	primary school	3	156.50
	junior school	73	151.55
	senior high school	85	150.15
	junior college	62	114.26
	university	53	129.18
	Total	276	

#### Test Statistics<sup>a,b</sup>

	17 A
Chi-Square	13.991
df	4
Asymp. Sig.	.007

a. Kruskal Wallis Test

b. Grouping Variable: educ length

Figure A 38

### Mann-Whitney Test

#### Ranks

	section 3 1	N	Mean Rank	Sum of Ranks
26	i.Communist party member	65	288.45	18749.50
	iii.Non-members	424	238.34	101055.50
	Total	489		

#### Test Statistics<sup>a</sup>

	26
Mann-Whitney U	10955.500
Wilcoxon W	101055.500
Z	-2.928
Asymp. Sig. (2-tailed)	.003

a. Grouping Variable: section 3 1

Figure A 39

### Mann-Whitney Test

#### Ranks

	section 3 1	N	Mean Rank	Sum of Ranks
27	i.Communist party member	65	204.55	13295.50
	iii.Non-members	423	250.64	106020.50
	Total	488		



**Test Statistics<sup>a</sup>**

	27
Mann-Whitney U	11150.500
Wilcoxon W	13295.500
Z	-2.818
Asymp. Sig. (2-tailed)	.005

a. Grouping Variable: section 3 1

Figure A 40

**Mann-Whitney Test****Ranks**

	section 3 1	N	Mean Rank	Sum of Ranks
27	i. Communist party member	21	90.29	1896.00
	iii. Non-members	226	127.13	28732.00
	Total	247		

**Test Statistics<sup>a</sup>**

	27
Mann-Whitney U	1665.000
Wilcoxon W	1896.000
Z	-2.529
Asymp. Sig. (2-tailed)	.011

a. Grouping Variable: section 3 1

Figure A 41

**Mann-Whitney Test****Ranks**

	section 3 1	N	Mean Rank	Sum of Ranks
26	i. Communist party member	22	163.27	3592.00
	iii. Non-members	225	120.16	27036.00
	Total	247		

**Test Statistics<sup>a</sup>**

	26
Mann-Whitney U	1611.000
Wilcoxon W	27036.000
Z	-3.063
Asymp. Sig. (2-tailed)	.002

a. Grouping Variable: section 3 1

Figure A 42

**Kruskal-Wallis Test****Ranks**

	household registration	N	Mean Rank
--	------------------------	---	-----------

iv	Pn	78	235.47
	Pa	166	190.95
	Pu	81	292.36
	Sn	26	261.65
	Sa	27	178.31
	Su	78	241.46
	Total	456	

#### Test Statistics<sup>a,b</sup>

	iv
Chi-Square	45.936
df	5
Asymp. Sig.	.000

a. Kruskal Wallis Test

b. Grouping Variable:  
household registration

Figure A 43

### Mann-Whitney Test

#### Ranks

	household registration	N	Mean Rank	Sum of Ranks
iii	Pn	78	110.55	8623.00
	Pa	171	131.59	22502.00
	Total	249		

#### Test Statistics<sup>a</sup>

	iii
Mann-Whitney U	5542.000
Wilcoxon W	8623.000
Z	-2.310
Asymp. Sig. (2-tailed)	.021

a. Grouping Variable: household  
registration

Figure A 44

### Mann-Whitney Test

#### Friends

#### Ranks

	4	N	Mean Rank	Sum of Ranks
ii	ii state-owned company	67	128.36	8600.00
	iii private company	241	161.77	38986.00
	Total	308		

#### Test Statistics<sup>a</sup>

	ii
Mann-Whitney U	6322.000
Wilcoxon W	8600.000
Z	-2.803

Asymp. Sig. (2-tailed)	.005
------------------------	------

a. Grouping Variable: 4

Figure A 45

### Mann-Whitney Test

Acquaintances

#### Ranks

	4	N	Mean Rank	Sum of Ranks
ii state-owned company		63	106.33	6698.50
iii private company		233	159.90	37257.50
Total		296		

#### Test Statistics<sup>a</sup>

	iii
Mann-Whitney U	4682.500
Wilcoxon W	6698.500
Z	-4.484
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: 4

Figure A 46

### Mann-Whitney Test

Colleagues

#### Ranks

	4	N	Mean Rank	Sum of Ranks
ii state-owned company		67	192.44	12893.50
iv private company		243	145.31	35311.50
Total		310		

#### Test Statistics<sup>a</sup>

	iv
Mann-Whitney U	5665.500
Wilcoxon W	35311.500
Z	-4.184
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: 4

Figure A 47

### Mann-Whitney Test

Line managers

#### Ranks

	4	N	Mean Rank	Sum of Ranks
ii state-owned company		61	177.07	10801.00
v private company		233	139.76	32564.00
Total		294		

# Test Statistics<sup>a</sup>

	V
Mann-Whitney U	5303.000
Wilcoxon W	32564.000
Z	-3.109
Asymp. Sig. (2-tailed)	.002

a. Grouping Variable: 4

Figure A48

## Kruskal-Wallis Test

### Ranks

	household registration	N	Mean Rank
16	Pn	79	141.87
	Pa	164	166.72
	Sn	36	137.79
	Sa	26	121.33
	Total	305	

# Test Statistics<sup>a,b</sup>

	16
Chi-Square	11.067
df	3
Asymp. Sig.	.011

a. Kruskal Wallis Test

b. Grouping Variable:  
household registration

Figure A49

## Frequencies

	Frequency
Valid	communicate with each other about technology
	contribute to the success of career; make more friends
	friends
	guide
	guide each other
	help each other
	income
	know more friends
	know more people
	learn during work
	learn more skills
	learn with each other
	local staff would like to teach us
	mainly skills
	none

old staff guide new staff to learn skill	1
practical tutoring	1
receiving regular assistance from local staff	1
share and introduce skills	1
staff training	22
the local staff have their own advantages	1
treat equally	1

Figure A 50

#### 4 \* 35 Crosstabulation

Count

		35		Total
		yes	no	
4	ii state-owned company	51	17	68
	iii private company	230	5	235
	Total	281	22	303

#### Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	40.974 <sup>a</sup>	1	.000		
Continuity Correction <sup>b</sup>	37.648	1	.000		
Likelihood Ratio	32.889	1	.000		
Fisher's Exact Test				.000	.000
Linear-by-Linear Association	40.839	1	.000		
N of Valid Cases	303				

a. 1 cells (25.0%) have expected count less than 5. The minimum expected count is 4.94.

b. Computed only for a 2x2 table

#### Risk Estimate

	Value	95% Confidence Interval	
		Lower	Upper
Odds Ratio for 4 (ii state-owned company / iii private company)	.065	.023	.185
For cohort 35 = yes	.766	.667	.880
For cohort 35 = no	11.750	4.499	30.685
N of Valid Cases	303		

Figure A 51

#### 4 \* 38 Crosstabulation

Count

	38		Total
	1	2	

4	ii state-owned company	23	15	38
	iii private company	133	34	167
Total		156	49	205

#### Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	6.218 <sup>a</sup>	1	.013		
Continuity Correction <sup>b</sup>	5.212	1	.022		
Likelihood Ratio	5.714	1	.017		
Fisher's Exact Test				.019	.013
Linear-by-Linear Association	6.188	1	.013		
N of Valid Cases	205				

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 9.08.

b. Computed only for a 2x2 table

#### Risk Estimate

	Value	95% Confidence Interval	
		Lower	Upper
Odds Ratio for 4 (ii state-owned company / iii private company)	.392	.185	.831
For cohort 38 = 1	.760	.581	.994
For cohort 38 = 2	1.939	1.182	3.181
N of Valid Cases	205		

Figure A52

#### household registration \* 11 Crosstabulation

Count

	11							Total
	1	2	3	4	5	6	7	
Pn	29	7	3	2	8	5	0	54
Pa	36	37	36	9	11	1	0	130
Total	78	62	48	11	21	6	1	227

Figure A 53

#### household registration \* 12 Crosstabulation

Count

		12									Total
		1	2	3	4	5	6	7	8	9	
Ho use	Pn	3	3	11	10	40	5	5	3	5	85
	Pa	11	5	34	13	45	36	8	18	12	182
	Sn	0	4	8	2	7	8	0	0	4	33

hold											
reg	Sa	0	3	6	8	2	8	1	2	0	30
istr											
atio											
n											
Total		14	15	59	33	94	57	14	23	21	331

Figure A 54 - The mean score on dependent variables (“income”, “better life”, “welfare”, “work”, “environment”, “opportunity”, “farming hard”, “get used to city life”, “nothing to do in the countryside”, “poverty”, “prefer city life”, “no knowledge of farming”, “study support”, “housing support”, “follow suit”, “other people thoughts”) for groups of people with different educational attainment.

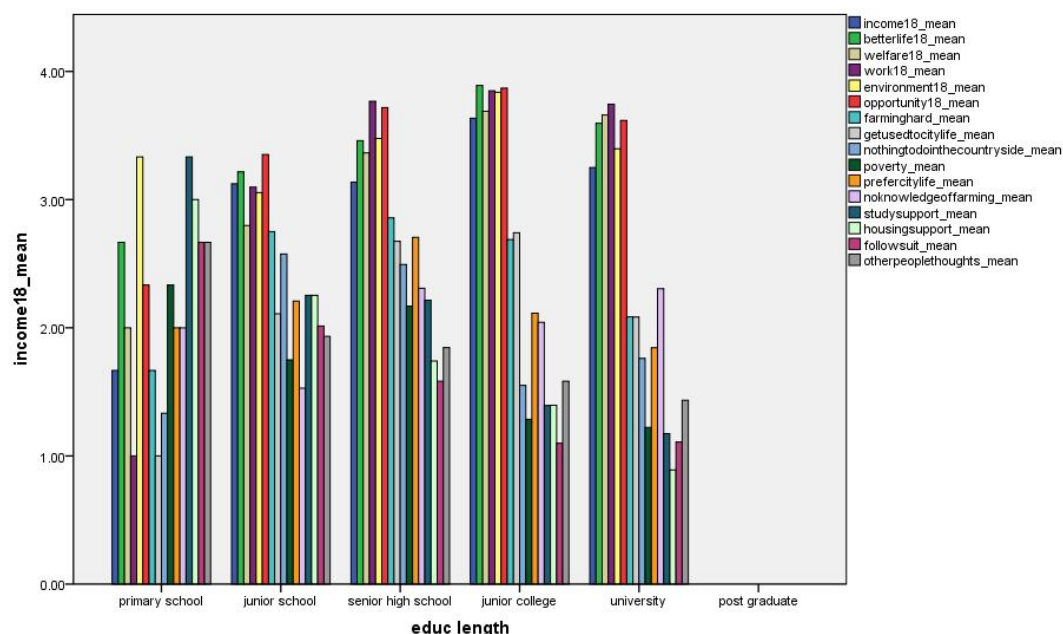


Figure A 55 - The mean score on dependent variables (“income”, “better life”, “welfare”, “work”, “environment”, “opportunity”, “farming hard”, “get used to city life”, “nothing to do in the countryside”, “poverty”, “prefer city life”, “no knowledge of farming”, “study support”, “housing support”, “follow suit”, “other people thoughts”) for female and male.

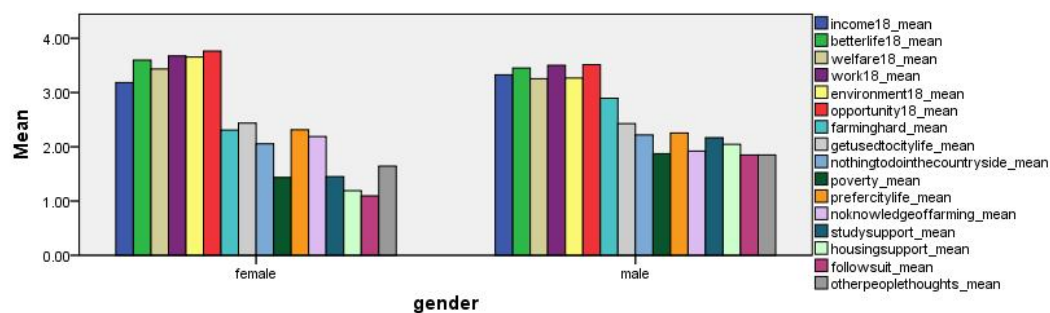


Figure A 58

## Mann-Whitney Test

### Ranks

	gender	N	Mean Rank	Sum of Ranks
followsuit	female	133	129.23	17187.00
	male	160	161.78	25884.00
	Total	293		

### Test Statistics<sup>a</sup>

	followsuit
Mann-Whitney U	8276.000
Wilcoxon W	17187.000
Z	-3.446
Asymp. Sig. (2-tailed)	.001

a. Grouping Variable: gender

Figure A57

## Mann-Whitney Test

### Ranks

	gender	N	Mean Rank	Sum of Ranks
housingsupport	female	133	124.06	16499.50
	male	158	164.47	25986.50
	Total	291		

### Test Statistics<sup>a</sup>

	housingsupport
Mann-Whitney U	7588.500
Wilcoxon W	16499.500
Z	-4.267
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: gender

Figure A 58

## Mann-Whitney Test

### Ranks

	gender	N	Mean Rank	Sum of Ranks
--	--------	---	-----------	--------------



studysupport	female	129	124.21	16022.50
	male	156	158.54	24732.50
	Total	285		

#### Test Statistics<sup>a</sup>

	studysupport
Mann-Whitney U	7637.500
Wilcoxon W	16022.500
Z	-3.613
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: gender

Figure A 59

#### Frequencies

##### 19 i-income

	Frequency	Percent	Valid Percent	Cumulative Percent
0	107	19.2	35.1	35.1
1	59	10.6	19.3	54.4
2	57	10.3	18.7	73.1
Valid 3	38	6.8	12.5	85.6
4	26	4.7	8.5	94.1
5	18	3.2	5.9	100.0
Total	305	54.9	100.0	

##### ii-better life

	Frequency	Percent	Valid Percent	Cumulative Percent
0	49	8.8	16.0	16.0
1	89	16.0	29.0	45.0
2	64	11.5	20.8	65.8
Valid 3	51	9.2	16.6	82.4
4	36	6.5	11.7	94.1
5	18	3.2	5.9	100.0
Total	307	55.2	100.0	

##### iii-better welfare

	Frequency	Percent	Valid Percent	Cumulative Percent
0	56	10.1	18.3	18.6
1	79	14.2	25.8	44.1
2	67	12.1	21.9	66.0
3	51	9.2	16.7	82.7
4	39	7.0	12.7	95.4
5	14	2.5	4.6	100.0

Total	306	55.0	100.0	
-------	-----	------	-------	--

#### iv-good job

	Frequency	Percent	Valid Percent	Cumulative Percent
0	34	6.1	11.1	11.1
1	87	15.6	28.4	39.5
2	66	11.9	21.6	61.1
3	54	9.7	17.6	78.8
4	43	7.7	14.1	92.8
5	21	3.8	6.9	100.0
Total	306	55.0	100.0	

#### v-good working and living environment

	Frequency	Percent	Valid Percent	Cumulative Percent
0	39	7.0	12.7	13.0
1	80	14.4	26.0	39.0
2	53	9.5	17.2	56.2
3	68	12.2	22.1	78.2
4	36	6.5	11.7	89.9
5	31	5.6	10.1	100.0
Total	308	55.4	100.0	

#### vi-good opportunities

	Frequency	Percent	Valid Percent	Cumulative Percent
0	35	6.3	11.4	11.4
1	82	14.7	26.7	38.1
2	62	11.2	20.2	58.3
3	58	10.4	18.9	77.2
4	41	7.4	13.4	90.6
5	29	5.2	9.4	100.0
Total	307	55.2	100.0	

Figure A60

#### 20 i

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 0	29	5.2	9.6	9.6

1	68	12.2	22.6	32.2
2	64	11.5	21.3	53.5
3	68	12.2	22.6	76.1
4	39	7.0	13.0	89.0
5	33	5.9	11.0	100.0
Total	301	54.1	100.0	

#### li better life

	Frequency	Percent	Valid Percent	Cumulative Percent
0	8	1.4	2.6	2.6
1	83	14.9	27.4	30.0
2	65	11.7	21.5	51.5
Valid 3	58	10.4	19.1	70.6
4	49	8.8	16.2	86.8
5	40	7.2	13.2	100.0
Total	303	54.5	100.0	

#### lii better welfare

	Frequency	Percent	Valid Percent	Cumulative Percent
0	18	3.2	6.0	6.0
1	76	13.7	25.5	31.5
2	61	11.0	20.5	52.0
Valid 3	71	12.8	23.8	75.8
4	38	6.8	12.8	88.6
5	34	6.1	11.4	100.0
Total	298	53.6	100.0	

#### Iv good jobs

	Frequency	Percent	Valid Percent	Cumulative Percent
0	17	3.1	5.6	5.6
1	70	12.6	23.1	28.7
2	58	10.4	19.1	47.9
Valid 3	63	11.3	20.8	68.6
4	53	9.5	17.5	86.1
5	42	7.6	13.9	100.0
Total	303	54.5	100.0	

#### V good working and living environment

	Frequency	Percent	Valid Percent	Cumulative Percent
--	-----------	---------	---------------	--------------------

	0	17	3.1	5.7	5.7
	1	66	11.9	22.1	27.9
	2	57	10.3	19.1	47.0
Valid	3	59	10.6	19.8	66.8
	4	52	9.4	17.4	84.2
	5	47	8.5	15.8	100.0
	Total	298	53.6	100.0	

#### Vi opportunities

	Frequency	Percent	Valid Percent	Cumulative Percent
0	10	1.8	3.3	3.3
1	64	11.5	21.2	24.5
2	51	9.2	16.9	41.4
Valid	3	74	13.3	65.9
	4	46	8.3	81.1
	5	57	10.3	100.0
Total	302	54.3	100.0	

**Figure 61** - The mean score on dependent variables (“income”, “better life”, “welfare”, “work”, “environment”, “opportunity”) for groups of rural workers with different educational attainment.

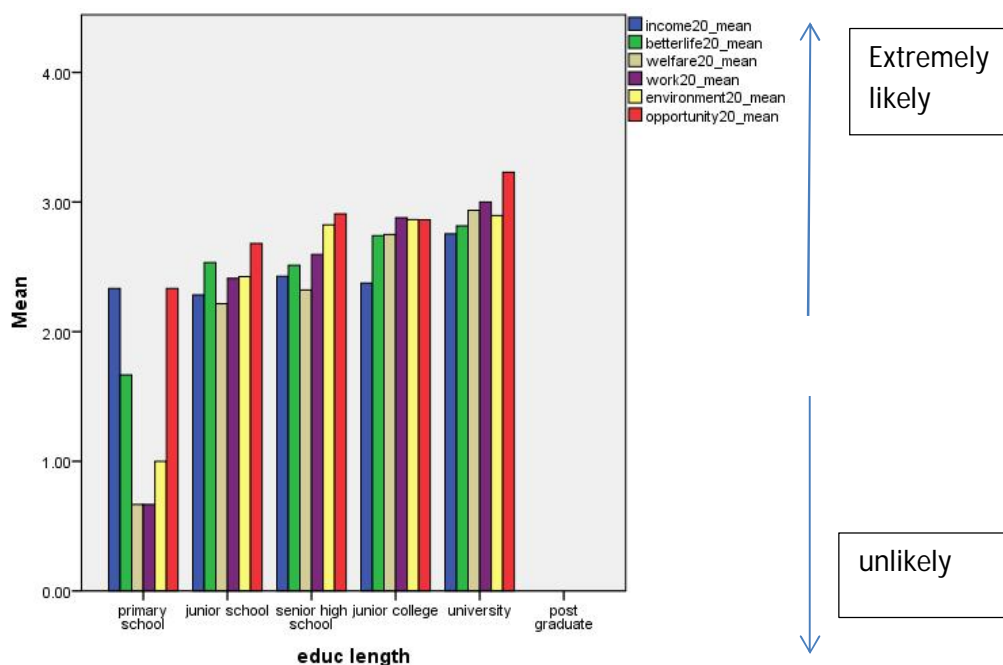


Figure A62

Frequencies:

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	107	19.2	34.4	34.4
	2	162	29.1	52.1	86.5
	3	42	7.6	13.5	100.0
	Total	311	55.9	100.0	
Missing	System	245	44.1		
Total		556	100.0		

Figure A63

## Kruskal-Wallis Test

### Ranks

	educ length	N	Mean Rank
24	primary school	3	143.33
	junior school	82	129.22
	senior high school	93	146.69
	junior college	82	187.85
	university	50	162.66
	Total	310	

### Test Statistics<sup>a,b</sup>

	24
Chi-Square	23.276
df	4
Asymp. Sig.	.000

a. Kruskal Wallis Test

b. Grouping Variable: educ length

Figure A64

Frequencies:

25

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	124	22.3	50.2	50.2
	2	65	11.7	26.3	76.5
	3	12	2.2	4.9	81.4
	4	46	8.3	18.6	100.0
	Total	247	44.4	100.0	
Missing	System	309	55.6		
Total		556	100.0		

Figure A65

Frequencies:

26

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	130	23.4	52.6	52.6
	2	117	21.0	47.4	100.0
	Total	247	44.4	100.0	
Missing	System	309	55.6		
Total		556	100.0		

Figure A66

Frequencies:

27

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	49	8.8	30.2	30.2
	2	19	3.4	11.7	42.0
	3	90	16.2	55.6	97.5
	4	4	.7	2.5	100.0
	Total	162	29.1	100.0	
Missing	System	394	70.9		
Total		556	100.0		

Figure A 67

Frequencies:

28

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	10	1.8	3.4	3.4
	2	150	27.0	51.4	54.8
	3	132	23.7	45.2	100.0
	Total	292	52.5	100.0	
Missing	System	264	47.5		
Total		556	100.0		

Figure A68

Frequencies:

31

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	i with a great deal of pleasure	21	3.8	7.1	7.1
	ii willing	206	37.1	69.4	76.4
	iii not very willing	60	10.8	20.2	96.6
	iv reluctant	10	1.8	3.4	100.0
	Total	297	53.4	100.0	
Missing	System	259	46.6		
Total		556	100.0		

Figure A69

Frequencies:

22

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	38	6.8	15.4	15.4
	2	121	21.8	49.2	64.6
	3	80	14.4	32.5	97.2
	4	3	.5	1.2	98.4
	5	4	.7	1.6	100.0
	Total	246	44.2	100.0	
Missing	System	310	55.8		
Total		556	100.0		

Figure A70

Frequencies:

23

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	44	7.9	14.3	14.3
	2	158	28.4	51.3	65.6
	3	83	14.9	26.9	92.5
	4	9	1.6	2.9	95.5
	5	6	1.1	1.9	97.4
	6	8	1.4	2.6	100.0
	Total	308	55.4	100.0	
Missing	System	248	44.6		
Total		556	100.0		

Figure A71 - Regression for dependant variable ("achieved a better life" in question 20) and variables ("achieved a high income"; "achieved better welfare"; "achieved a good job"; "achieved good working and living environment"; "achieved good opportunities" in question 19)

**Variables Entered/Removed<sup>a</sup>**

Model	Variables Entered	Variables Removed	Method
1	vi, 19 i, iv, iii, v <sup>b</sup>	.	Enter

a. Dependent Variable: ii

b. All requested variables entered.

**Model Summary**

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
-------	---	----------	-----------------	---	----------------------------

1	.868 <sup>a</sup>	.754	.749	.729
---	-------------------	------	------	------

a. Predictors: (Constant), vi, 19 i, iv, iii, v

#### ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	475.390	5	95.078	178.725	.000 <sup>b</sup>
	Residual	155.338	292	.532		
	Total	630.728	297			

a. Dependent Variable: ii

b. Predictors: (Constant), vi, 19 i, iv, iii, v

#### Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.195	.079		2.478	.014
	19 i	.319	.039	.341	8.234	.000
	iii	.336	.053	.336	6.361	.000
	iv	-.008	.032	-.010	-.259	.796
	v	.253	.055	.266	4.624	.000
	vi	.039	.051	.040	.760	.448

a. Dependent Variable: ii

Figure A72 - Regression for dependant variable (“hope for a better life” in question 20) and variables (“hope for a high income”; “hope for a better life”; “hope for a better welfare”; “hope for a good job”; “hope for a good working and living environment”; “hope for a good opportunities” in question 20)

#### Regression

##### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.879 <sup>a</sup>	.773	.769	.699

a. Predictors: (Constant), vi, 20 i, iii, v, iv

##### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.879 <sup>a</sup>	.773	.769	.699

a. Predictors: (Constant), vi, 20 i, iii, v, iv

#### ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	448.875	5	89.775	183.826	.000 <sup>b</sup>
	Residual	131.860	270	.488		
	Total	580.736	275			

a. Dependent Variable: ii

b. Predictors: (Constant), vi, 20 i, iii, v, iv

#### Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.228	.092		2.471	.014
	20 i	.286	.050	.297	5.709	.000
	iii	.239	.067	.242	3.569	.000



iv	.259	.073	.266	3.546	.000
v	-.009	.056	-.009	-.156	.876
vi	.150	.058	.157	2.597	.010

a. Dependent Variable: ii

R square is a statistical measure of how close the data is to the fitted regression line. As shown in Figure A71 above, as far as variable 1 (hope for a high income) and variable 3 (hope for a better welfare), variable 4 (hope for a good job) and variable 6 (hope for good opportunities) are concerned, the Sig. values are less than 0.05 so variable 1 (hope for a high income) and variable 3 (hope for better welfare), variable 4 (hope for a good job) and variable 6 (hope for good opportunities) make a statistically unique contribution to the prediction of the dependent variable (hope for a better life). It can be seen from coefficient B variable 1 (hope for a high income) and variable 3 (hope for better welfare), variable 4 (hope for a good job) and variable 6 (hope for good opportunities) that they make a positive, statistically unique contribution to the prediction of the dependent variable (hope for a better life).

Figure A73

### Mann-Whitney Test

Ranks

	gender	N	Mean Rank	Sum of Ranks
12	female	153	162.51	24863.50
	male	193	182.22	35167.50
	Total	346		

Test Statistics<sup>a</sup>

	11
Mann-Whitney U	13082.500
Wilcoxon W	24863.500
Z	-2.082
Asymp. Sig. (2-tailed)	.037

a. Grouping Variable: gender

Figure A 74

### Mann-Whitney Test

Ranks

	gender	N	Mean Rank	Sum of Ranks
18 B	female	150	180.07	27010.00
	male	185	158.22	29270.00
	Total	335		

Test Statistics<sup>a</sup>

	B
Mann-Whitney U	12065.000
Wilcoxon W	29270.000
Z	-2.233
Asymp. Sig. (2-tailed)	.026

a. Grouping Variable: gender

Figure A 75

### Mann-Whitney Test

#### Ranks

	gender	N	Mean Rank	Sum of Ranks
20	female	152	160.63	24416.00
	male	184	175.00	32200.00
	Total	336		

#### Test Statistics<sup>a</sup>

	20
Mann-Whitney U	12788.000
Wilcoxon W	24416.000
Z	-2.581
Asymp. Sig. (2-tailed)	.010

a. Grouping Variable: gender

Figure A 76

### Mann-Whitney Test

#### Ranks

	gender	N	Mean Rank	Sum of Ranks
36	female	135	166.33	22455.00
	male	165	137.55	22695.00
	Total	300		

#### Test Statistics<sup>a</sup>

	36
Mann-Whitney U	9000.000
Wilcoxon W	22695.000
Z	-3.549
Asymp. Sig. (2-tailed)	.000

a. Grouping Variable: gender

Figure A 77

### Mann-Whitney Test

#### Ranks

	gender	N	Mean Rank	Sum of Ranks
25	female	149	154.90	23080.00
	male	183	175.95	32198.00
	Total	332		

#### Test Statistics<sup>a</sup>

	24
Mann-Whitney U	11905.000
Wilcoxon W	23080.000
Z	-2.808
Asymp. Sig. (2-tailed)	.005

a. Grouping Variable: gender

Figure A 78

### Mann-Whitney Test

#### Ranks

	gender	N	Mean Rank	Sum of Ranks
section 4 1 i	female	135	175.58	23703.00
	male	169	134.07	22657.00
	Total	304		
ii	female	139	142.65	19828.50
	male	179	172.58	30892.50
	Total	318		

#### Test Statistics<sup>a</sup>

	section 4 1 i	ii
Mann-Whitney U	8292.000	10098.500
Wilcoxon W	22657.000	19828.500
Z	-4.273	-3.632
Asymp. Sig. (2-tailed)	.000	.000

a. Grouping Variable: gender

Figure A 79

## Mann-Whitney Test

### Ranks

	gender	N	Mean Rank	Sum of Ranks
iv colleagues	female	138	142.95	19726.50
	male	171	164.73	28168.50
	Total	309		
v line managers	female	130	170.38	22149.00
	male	164	129.37	21216.00
	Total	294		

#### Test Statistics<sup>a</sup>

	iv	v
Mann-Whitney U	10135.500	7686.000
Wilcoxon W	19726.500	21216.000
Z	-2.338	-4.186
Asymp. Sig. (2-tailed)	.019	.000

a. Grouping Variable: gender

## Appendix II

### **Questionnaire Data**

## Appendix II

### Questionnaire Data

#### Section 1

1.Are you male or female?

PLEASE GIVE ONE ANSWER ONLY AND TICK THE APPROPRIATE BOX

i Male.....

☐

ii Female.....

☐

gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	female	254	46.2	46.4	46.4
	male	293	53.3	53.6	100.0
	Total	547	99.5	100.0	
Missing	System	3	.5		
Total		550	100.0		

2.Into which of the following groups does your age fall?

PLEASE GIVE ONE ANSWER ONLY AND TICK THE APPROPRIATE BOX

18-25.....

☐

26-29.....

☐

30-34.....

☐

35-39.....

☐

40-44.....

☐

45-49.....

☐

50-54.....

☐

55-59.....

☐

60-65.....

☐

Over 65.....

☐

age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	21.5	89	16.2	16.2	16.2
	27.5	153	27.8	27.9	44.1
	32.0	139	25.3	25.3	69.4
	37.0	65	11.8	11.8	81.2
	42.0	53	9.6	9.7	90.9
	47.0	27	4.9	4.9	95.8
	52.0	14	2.5	2.6	98.4
	57.0	9	1.6	1.6	100.0
	Total	549	99.8	100.0	
Missing	System	1	.2		
Total		550	100.0		

3. Your hometown is located in    i Zoucheng City    ii If in another town or city ,  
please give details\_\_\_\_\_

**hometown**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	7	1.3	1.3	1.3
Weifang city	1	.2	.2	1.5
Anqiu, Weifang city	7	1.3	1.3	2.7
Binzhou city, Shandong Province	1	.2	.2	2.9
Caoge village, Beimeng Town, Changyi City	1	.2	.2	3.1
Changle city	1	.2	.2	3.3
Changyi, Weifang city	2	.4	.4	3.6
Chongqing city	1	.2	.2	3.8
countryside, Weifang city	1	.2	.2	4.0
Development zone, weifang city	2	.4	.4	4.4
Dezhou city	1	.2	.2	4.5
Dezhou City, Shandong Province	1	.2	.2	4.7
Fangzi district, Weifang City	1	.2	.2	4.9
Feicheng city, Shandong Province	1	.2	.2	5.1
Gansu Province	1	.2	.2	5.3
Gaolisan village, Hanting District, Weifang City	1	.2	.2	5.5
Gaomi, Shandong province	1	.2	.2	5.6
Guoli town, Zoucheng city	1	.2	.2	5.8
Hanting District, Weifang city	2	.4	.4	6.2
Henan Province	2	.4	.4	6.5
Hengshui City, Hebei Province	1	.2	.2	6.7
Heze city, Shandong Province	1	.2	.2	6.9
Heze city, Shandong Province	1	.2	.2	7.1
Hubei Province	1	.2	.2	7.3
Huxian, Shanxi Province	1	.2	.2	7.5
Jiaozhou city, Shandong Province	1	.2	.2	7.6
Jiaxiang city, Shandong Province	1	.2	.2	7.8
Jilin Province	1	.2	.2	8.0
Jimo city, Shandong Province	1	.2	.2	8.2
Jinan city, Shandong Province	1	.2	.2	8.4
Jining city	6	1.1	1.1	9.5
Jining city, Shandong Province	3	.5	.5	10.0
Jixiang, Jinning city, Shandong Province	1	.2	.2	10.2
Kuiwen district, Weifang city	1	.2	.2	10.4
Liaocheng city	2	.4	.4	10.7
Liaoyuan city, Jilin Province	1	.2	.2	10.9
Linxun, Weifang city	7	1.3	1.3	12.2
Longgang town, bujiazhuang Village, Linxun	1	.2	.2	12.4
Qihe, Dezhou city, Shandong Province	1	.2	.2	12.5
Qingcheng city	1	.2	.2	12.7
Qingzhou city, Shandong Province	1	.2	.2	12.9
Qiqihaer, Heilongjiang	1	.2	.2	13.1
Qixia, Yantai city	1	.2	.2	13.3
Qufu city	2	.4	.4	13.6
Qufu city, Shandong Province	1	.2	.2	13.8
Rizhao city, Shandong Province	1	.2	.2	14.0
Shandong	1	.2	.2	14.2
Shandong Province	2	.4	.4	14.5
Shiqiang	1	.2	.2	14.7

Shiqiang, Shandong Province	1	.2	.2	14.9
Shouguang, Weifang city	1	.2	.2	15.1
Shouguang, Weifang city, Tianliu town, Sunling village, Weifang city	1	.2	.2	15.3
Shuyang city, Jiangshu Province	1	.2	.2	15.5
Sichuan Province	1	.2	.2	15.6
Tai'an city, Shandong Province	1	.2	.2	15.8
Taiping, Shandong Province	1	.2	.2	16.0
Tengzhou city	5	.9	.9	16.9
Tengzhou city, Shandong Province	2	.4	.4	17.3
Tianjin city	1	.2	.2	17.5
Tonghua city, Jilin Province	1	.2	.2	17.6
village in Weifang city	1	.2	.2	17.8
Weifang city	58	10.5	10.5	28.4
Weifang city, Shandong Province	1	.2	.2	28.5
Wenshang, Shandong Province	2	.4	.4	28.9
Xinjiang Province	1	.2	.2	29.1
Yanzhou city	2	.4	.4	29.5
Yanzhou, Jining city, Shandong Province	1	.2	.2	29.6
Yutai, Shandong Province	1	.2	.2	29.8
Zaozhuang city, Shandong Province	2	.4	.4	30.2
Zhoukou city, Henan Province	1	.2	.2	30.4
Zhucheng city, Weifang city	1	.2	.2	30.5
Zhucheng, Weifang city	7	1.3	1.3	31.8
Zoucheng city	374	68.0	68.0	99.8
Zoucheng city, Shandong Province	1	.2	.2	100.0
Total	550	100.0	100.0	

4.The length of your education was \_\_\_\_\_

PLEASE CIRCLE THE HIGHEST LEVEL YOU HAVE ATTENDED

i Junior middle school    ii Senior high school    iii University college    iv Others

Please give details \_\_\_\_\_

educ length

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	primary school	3	.5	.6	.6
	junior school	116	21.1	21.3	21.8
	senior high school	152	27.6	27.9	49.7
	junior college	159	28.9	29.2	78.9
	university	108	19.6	19.8	98.7
	post graduate	7	1.3	1.3	100.0
	Total	545	99.1	100.0	
Missing	System	5	.9		
Total		550	100.0		

5.Your type of household registration/hukou

PLEASE GIVE ONE ANSWER ONLY AND TICK THE APPROPRIATE BOX

i.Agricultural ..... ☐

ii.Non-agricultural..... ☐

household registration

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Pn	91	16.5	16.6	16.6
	Pa	201	36.5	36.6	53.2
	Pu	90	16.4	16.4	69.6
	Sn	37	6.7	6.7	76.3
	Sa	30	5.5	5.5	81.8
	Su	100	18.2	18.2	100.0
	Total	549	99.8	100.0	
Missing	System	1	.2		
Total		550	100.0		

6.What is your marital status? PLEASE TICK THE APPROPRIATE BOX

- i Married ..... ☐
- ii Single..... ☐

**marital status**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	i.married	430	78.2	78.6	78.6
	ii.single	117	21.3	21.4	100.0
	Total	547	99.5	100.0	
Missing	System	3	.5		
Total		550	100.0		

7.Where do you live?

- i. Zoucheng City
- ii. Hometown(if not Zoucheng City) Please give details

\_\_\_\_\_

**your living area**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		47	8.5	8.5	8.5
	Hanting district, Weifang city	1	.2	.2	8.7
	high and new technology industrial development, Weifang cit	1	.2	.2	8.9
	kuiwen, Weifang city	1	.2	.2	9.1
	Shandong Province	2	.4	.4	9.5
	Weifang city	72	13.1	13.1	22.5
	Xishangyu subdistrict, Kuiwen district, Weifang city	1	.2	.2	22.7
	Zoucheng city	425	77.3	77.3	100.0
	Total	550	100.0	100.0	

8.Where does your partner live?

- i. Zoucheng City
- ii. Hometown(if not Zoucheng City) Please give details

\_\_\_\_\_

**yourpartnerslivingarea**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		96	17.5	17.5	17.5
	Anqiu city,Henan City	1	.2	.2	17.6



Beijing city	1	.2	.2	17.8
Chengdu city, Shandong Province	1	.2	.2	18.0
Gaomi	1	.2	.2	18.2
Hanting district, Weifang City	1	.2	.2	18.4
Hebei Province, Hengshui City	1	.2	.2	18.5
high and new technology industrial development, Weifang City	1	.2	.2	18.7
Jiaxiang, Shandong Province	1	.2	.2	18.9
Jilin Province	1	.2	.2	19.1
Jinan city	3	.5	.5	19.6
Jining city	3	.5	.5	20.2
Jining city, Shandong Province	1	.2	.2	20.4
Kuiwen, Weifang City	1	.2	.2	20.5
Qingzhou City	1	.2	.2	20.7
Rizhao city	1	.2	.2	20.9
Shandong	2	.4	.4	21.3
Shuyang City	1	.2	.2	21.5
Taian city	1	.2	.2	21.6
Tengzhou city	3	.5	.5	22.2
Tengzhou City	1	.2	.2	22.4
village	1	.2	.2	22.5
Weifang city	62	11.3	11.3	33.8
Weifang city, Kuiwen	1	.2	.2	34.0
Wenshang, Shandong Province	2	.4	.4	34.4
Will be in Weifang City soon	1	.2	.2	34.5
Xishangyu subdistrict, Kuiwen district, Weifang City	1	.2	.2	34.7
Zaozhuang city	1	.2	.2	34.9
Zoucheng city	358	65.1	65.1	100.0
Total	550	100.0	100.0	

9. What is your spouse's occupation? Please give details\_\_\_\_\_

**your partner's job**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	173	31.5	31.5	31.5
accountant	1	.2	.2	31.6
at home	26	4.7	4.7	36.4
business	3	.5	.5	36.9
cashier	1	.2	.2	37.1
civil servant	1	.2	.2	37.3
designer	2	.4	.4	37.6
dining hall	1	.2	.2	37.8
do part time job	1	.2	.2	38.0
doctor	3	.5	.5	38.5
driver	6	1.1	1.1	39.6
estimate clerks	1	.2	.2	39.8
farmer	37	6.7	6.7	46.5
finance	2	.4	.4	46.9
human resources assistant	1	.2	.2	47.1
director	1	.2	.2	47.3
insurance business	1	.2	.2	47.5
laboratory technician	1	.2	.2	47.6
machine work	1	.2	.2	47.8
management post	1	.2	.2	48.0
manager	1	.2	.2	48.2
marketing	1	.2	.2	48.4
medicine selling	1	.2	.2	48.7
migrant rural worker	2	.4	.4	

municipal institute of design	1	.2	.2	48.9
designing institute				
non agriculture	3	.5	.5	49.5
nurse	2	.4	.4	49.8
official	1	.2	.2	50.0
rural migrant worker	1	.2	.2	50.2
sales	2	.4	.4	50.5
secretary	1	.2	.2	50.7
self employed	11	2.0	2.0	52.7
sell vegetables	1	.2	.2	52.9
services	2	.4	.4	53.3
soldier	3	.5	.5	53.8
staff	98	17.8	17.8	71.6
staff for the operation of				
convenience store	1	.2	.2	71.8
staff in a factory	1	.2	.2	72.0
staff in bank	1	.2	.2	72.2
staff in private enterprise	1	.2	.2	72.4
state owned company staff	1	.2	.2	72.5
student	1	.2	.2	72.7
teacher	8	1.5	1.5	74.2
technician	1	.2	.2	74.4
technitian	1	.2	.2	74.5
taxi driver	1	.2	.2	74.7
textile industry	1	.2	.2	74.9
village cadre	1	.2	.2	75.1
worker	137	24.9	24.9	100.0
Total	550	100.0	100.0	

## Section 2

1. When did you change your agricultural household registration? Please circle the appropriate number.

- i 2 years ago ii 3 -5 years ago iii 6-10 years ago iv 11-15 years ago v more than 15 years ago  
 \_\_\_\_\_ vi I did not change my agricultural household registration

### section 2 1

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	218	39.6	39.6	39.6
1	6	1.1	1.1	40.7
2	16	2.9	2.9	43.6
3	46	8.4	8.4	52.0
4	41	7.5	7.5	59.5
5	14	2.5	2.5	62.0
5 1990-1991	1	.2	.2	62.2
5. 1995	1	.2	.2	62.4
5. 25 years ago	1	.2	.2	62.5
5. 26 years ago	1	.2	.2	62.7
6	205	37.3	37.3	100.0
Total	550	100.0	100.0	

2. Why did you change your agricultural household registration? Please give details \_\_\_\_\_

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	453	82.4	82.4	82.4
after university graduation	2	.4	.4	82.7
automatic	1	.2	.2	82.9
change living area	1	.2	.2	83.1
exam	1	.2	.2	83.3
for children	1	.2	.2	83.5
for job	5	.9	.9	84.4
housing demolition	3	.5	.5	84.9
job	1	.2	.2	85.1
live in the city	3	.5	.5	85.6
marriage	6	1.1	1.1	86.7
not sure, family helps	1	.2	.2	86.9
planning economy recruitment in 1978	1	.2	.2	87.1
policy doesnot allow	1	.2	.2	87.3
recruitment	6	1.1	1.1	88.4
reform from villager committee to resident committee	3	.5	.5	88.9
rural residents become urban residents	1	.2	.2	89.1
study	25	4.5	4.5	93.6
take over the land for use	1	.2	.2	93.8
university	19	3.5	3.5	97.3
went to study	1	.2	.2	97.5
work	13	2.4	2.4	99.8
work in the city	1	.2	.2	100.0
Total	550	100.0	100.0	

3. Are you the first generation of workers from countryside or the second generation?

i first generation

ii second generation

3

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	254	46.2	46.2	46.2
1	200	36.4	36.4	82.5
2	96	17.5	17.5	100.0
Total	550	100.0	100.0	

4.What job did you do before you came to the city?

i.Farm    ii. Township enterprises    iii. self-employed    iv. Village cadres

v. Student    vi. If others, please provide description\_\_\_\_\_

4

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	230	41.8	41.8	41.8
1	107	19.5	19.5	61.3
1,5	1	.2	.2	61.5
2	16	2.9	2.9	64.4
3	17	3.1	3.1	67.5
4	5	.9	.9	68.4
5	166	30.2	30.2	98.5
6	3	.5	.5	99.1
6 child	1	.2	.2	99.3
6 do part time job	1	.2	.2	99.5
6 worker management post	1	.2	.2	99.6
6. Did not work in the village	1	.2	.2	99.8

6. Soldier	1	.2	.2	100.0
Total	550	100.0	100.0	

5. Your professional technical title/ technical class before you came to the city

- i. No professional technical title    ii. No professional title, but master of a trade    iii. Primary professional technical title    iv. Intermediate professional technical title    v. High professional technical title

5

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	232	42.2	42.2	42.2
1	201	36.5	36.5	78.7
2	53	9.6	9.6	88.4
3	37	6.7	6.7	95.1
4	24	4.4	4.4	99.5
5	3	.5	.5	100.0
Total	550	100.0	100.0	

6. Where did you first work in cities? Please provide description \_\_\_\_\_

6

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	244	44.4	44.4	44.4
Beijing city	1	.2	.2	44.5
Chuzhou city, Anhui Province	1	.2	.2	44.7
Cixi city, Zhejiang Province	1	.2	.2	44.9
Development zone, weifang city	1	.2	.2	45.1
Dezhou city, Shandong Province	1	.2	.2	45.3
Dezhou City, Shandong Province	1	.2	.2	45.5
Dongguan city, Guangdong Province	1	.2	.2	45.6
Gaomi, Weifang city	1	.2	.2	45.8
Haidian district, Beijing city	1	.2	.2	46.0
Hailaer, Inner Mongolia	1	.2	.2	46.2
Hangzhou city, Zhejiang Province	1	.2	.2	46.4
Henan Province	1	.2	.2	46.5
Heshun, Jinzhong City, Shanxi Province	1	.2	.2	46.7
high and new technology industrial development, Weifang city	2	.4	.4	47.1
Huaian, Jiangsu Province	1	.2	.2	47.3
Jinan city, Shandong Province	6	1.1	1.1	48.4
Jinan city, Shandong Province	1	.2	.2	48.5
Jining city	1	.2	.2	48.7
Jinzhong City, Shanxi Province	1	.2	.2	48.9
Jinzhong, Heshun City, Shanxi Province	1	.2	.2	49.1
Kuiwen district, Weifang city	2	.4	.4	49.5
Kuiwen, Weifang city	1	.2	.2	49.6
Kuiwen, Weifang city, Shandong Province	1	.2	.2	49.8
Kunshan city	1	.2	.2	50.0
Kunshan city, Jiangsu Province	1	.2	.2	50.2
Liaoyuan City, Jilin Province	1	.2	.2	50.4

Lijin, Dongying city, Shandong Province	1	.2	.2	50.5
Linxun, Weifang city	1	.2	.2	50.7
Linyi city, Shandong Province	1	.2	.2	50.9
Nanjing City, Jiangsu Province	1	.2	.2	51.1
Nantong city, Jiangsu Province	1	.2	.2	51.3
Pingdu, Qingdao city, Shandong Province	1	.2	.2	51.5
Qingdao city, Shandong Province	1	.2	.2	51.6
Qingdao City, Shandong Province	2	.4	.4	52.0
Qufu, Jining city, Shandong Province	1	.2	.2	52.2
Qufu, Shandong Province	1	.2	.2	52.4
Shandong Province	1	.2	.2	52.5
Shanxi Province, Jizhong city, Heshun	1	.2	.2	52.7
Shuyang, Shuqian City, Jiangsu Province	1	.2	.2	52.9
Suzhou city, Jiangsu Province	2	.4	.4	53.3
Taian City, Shandong Province	1	.2	.2	53.5
Tengzhou City	1	.2	.2	53.6
Tengzhou city, Shandong Province	1	.2	.2	53.8
Tianjin city	2	.4	.4	54.2
Weifang city	51	9.3	9.3	63.5
Weifang city, development zone	1	.2	.2	63.6
Weifang city, Shandong Province	4	.7	.7	64.4
Weihai city, Shandong Province	1	.2	.2	64.5
Wenzhou city, Zhejiang Province	1	.2	.2	64.7
Wuxi city, Jiangsu Province	1	.2	.2	64.9
Xi'an city, Shandong Province	1	.2	.2	65.1
Xinxiang city, Henan Province	1	.2	.2	65.3
Yantai city, Shandong Province	1	.2	.2	65.5
Yanzhou city, Shandong Province	1	.2	.2	65.6
Yutai, Shandong Province	1	.2	.2	65.8
Zoucheng city	188	34.2	34.2	100.0
Total	550	100.0	100.0	

7. What job did you obtain when you first came to the city?

- i. Executive position ii. Technical work iii. Production post iv. rear service  
v. Self-employed vi. If others, please provide description\_\_\_\_\_

7

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	229	41.6	41.6	41.6
1	23	4.2	4.2	45.8
2	59	10.7	10.7	56.5
3	182	33.1	33.1	89.6
3,4	2	.4	.4	90.0
4	38	6.9	6.9	96.9
5	6	1.1	1.1	98.0
6	2	.4	.4	98.4
6 business	1	.2	.2	98.5
6 sales	4	.7	.7	99.3
6 Sales	1	.2	.2	99.5
6 salesman	1	.2	.2	99.6
6. services	1	.2	.2	99.8
6.services post	1	.2	.2	100.0

Total	550	100.0	100.0	
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8. The company where you first worked is / was \_\_\_\_\_

- i. Party and government organisation    ii. State-owned company  
 iii. Private company    iii. If others please provide description \_\_\_\_\_

8

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	223	40.5	40.5	40.5
1	1	.2	.2	40.7
2	55	10.0	10.0	50.7
3	270	49.1	49.1	99.8
4 joint venture	1	.2	.2	100.0
Total	550	100.0	100.0	

9. Which industry did your first job belong to?

- i. Manufacturing    ii. Building industry    iii. Retail trade    iv. Service trade    v.

If others, please provide descriptions \_\_\_\_\_

9

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	221	40.2	40.2	40.2
1	162	29.5	29.5	69.6
2	49	8.9	8.9	78.5
3	34	6.2	6.2	84.7
4	81	14.7	14.7	99.5
5	2	.4	.4	99.8
5 software industry	1	.2	.2	100.0
Total	550	100.0	100.0	

10. When did you get your first job as employee in the city? Please give details

\_\_\_\_\_

10

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	311	56.5	56.5	56.5
01/10/2008	1	.2	.2	56.7
03/2005	1	.2	.2	56.9
03/2009	1	.2	.2	57.1
03/2010	2	.4	.4	57.5
03/2011	2	.4	.4	57.8
04/2008	3	.5	.5	58.4
04/2010	1	.2	.2	58.5
05/2003	1	.2	.2	58.7
05/2008	1	.2	.2	58.9
05/2010	1	.2	.2	59.1
05/2011	1	.2	.2	59.3
06/2011	1	.2	.2	59.5
07/1999	1	.2	.2	59.6
07/2009	1	.2	.2	59.8
07/2011	3	.5	.5	60.4
07/2012	1	.2	.2	60.5

08/2006	1	.2	.2	60.7
08/2009	2	.4	.4	61.1
08/2012	1	.2	.2	61.3
09/2007	1	.2	.2	61.5
09/2008	2	.4	.4	61.8
10/2002	1	.2	.2	62.0
10/2010	1	.2	.2	62.2
11/2012	1	.2	.2	62.4
12/1978	2	.4	.4	62.7
12/2001	1	.2	.2	62.9
12/2009	1	.2	.2	63.1
1978	1	.2	.2	63.3
1980	1	.2	.2	63.5
1982	1	.2	.2	63.6
1986	1	.2	.2	63.8
1987	1	.2	.2	64.0
1988	1	.2	.2	64.2
1989	1	.2	.2	64.4
1990	2	.4	.4	64.7
1992	1	.2	.2	64.9
1995	5	.9	.9	65.8
1996	4	.7	.7	66.5
1997	1	.2	.2	66.7
1998	6	1.1	1.1	67.8
1999	4	.7	.7	68.5
2000	10	1.8	1.8	70.4
2001	7	1.3	1.3	71.6
2002	9	1.6	1.6	73.3
2003	12	2.2	2.2	75.5
2004	13	2.4	2.4	77.8
2005	11	2.0	2.0	79.8
2006	13	2.4	2.4	82.2
2007	8	1.5	1.5	83.6
2008	24	4.4	4.4	88.0
2009	23	4.2	4.2	92.2
2010	11	2.0	2.0	94.2
2011	8	1.5	1.5	95.6
2012	5	.9	.9	96.5
2013	2	.4	.4	96.9
after graduated from Junior school	1	.2	.2	97.1
after graduation	6	1.1	1.1	98.2
after graduation 05/1997	1	.2	.2	98.4
after marriage	1	.2	.2	98.5
after the graduation from university	1	.2	.2	98.7
after university graduation	2	.4	.4	99.1
graduated from senior school	1	.2	.2	99.3
half year after graduation	1	.2	.2	99.5
second year of university	1	.2	.2	99.6
year 1997	1	.2	.2	99.8
year 2010	1	.2	.2	100.0
Total	550	100.0	100.0	

11. How did you first come to the city to seek a job?

PLEASE GIVE ONE ANSWER ONLY

- i. On your own    ii. Went to live with your relatives or friends  
iii. Came with fellow- villager    iv. Guided by the fellow-villager who lives  
in the city    v. If others, please provide description\_\_\_\_\_

11

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	78	14.2	34.4	34.4
	2	62	11.3	27.3	61.7
	3	48	8.7	21.1	82.8
	4	11	2.0	4.8	87.7
	5	21	3.8	9.3	96.9
	6	6	1.1	2.6	99.6
	7	1	.2	.4	100.0
	Total	227	41.3	100.0	
Missing	System	323	58.7		
Total		550	100.0		

12. How did you find your first job?

PLEASE GIVE ONE ANSWER ONLY AND CIRCLE THE APPROPRIATE NUMBER

i. Media advertisement ii. Outdoor advertising iii. Labour force market iv.

Employment agency v. Direct application

vi. Introduced by relatives and friends in the city vii. Introduced by

acquaintances viii. Introduced by fellow- villager who came to cities earlier

than you. ix. If others, please provide description \_\_\_\_\_

12

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	14	2.5	4.3	4.3
	2	13	2.4	4.0	8.4
	3	57	10.4	17.7	26.1
	4	32	5.8	9.9	36.0
	5	93	16.9	28.9	64.9
	6	56	10.2	17.4	82.3
	7	14	2.5	4.3	86.6
	8	23	4.2	7.1	93.8
	9	20	3.6	6.2	100.0
	Total	322	58.5	100.0	
Missing	System	228	41.5		
Total		550	100.0		

13. How many years have you worked / did you work in the city in your first job?

\_\_\_\_\_

13

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	57	10.4	20.5	20.5
	2	63	11.5	22.7	43.2
	3	53	9.6	19.1	62.2
	4	18	3.3	6.5	68.7
	5	32	5.8	11.5	80.2
	6	12	2.2	4.3	84.5
	7	4	.7	1.4	86.0
	8	10	1.8	3.6	89.6
	9	6	1.1	2.2	91.7
	10	6	1.1	2.2	93.9
	12	3	.5	1.1	95.0
	13	4	.7	1.4	96.4



14	1	.2	.4	96.8
15	3	.5	1.1	97.8
17	2	.4	.7	98.6
18	1	.2	.4	98.9
30	1	.2	.4	99.3
35	2	.4	.7	100.0
Total	278	50.5	100.0	
Missing	System	272	49.5	
Total	550	100.0		

14. What are / were your earnings per month in your first job? Circle the appropriate number.

i 0-1000 yuan ii 1000-2000 yuan iii 2000-3000 yuan iv 3000-4000 yuan v 4000-5000  
yuan vi 5000-6000 yuan vii 6000-7000 yuan viii 7000-8000 yuan ix above 8000 yuan

14

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	219	39.8	39.8	39.8
1	140	25.5	25.5	65.3
1 240yuan	1	.2	.2	65.5
1,3	1	.2	.2	65.6
2	138	25.1	25.1	90.7
3	45	8.2	8.2	98.9
4	3	.5	.5	99.5
5	2	.4	.4	99.8
6	1	.2	.2	100.0
Total	550	100.0	100.0	

15. Did your first company offer you accommodation, food and insurance?

PLEASE GIVE ONE ANSWER ONLY AND PLEASE CIRCLE THE APPROPRIATE NUMBER

i. Offered both ii. Offered neither iii. Provided meals  
iv. Only provided accommodation v. Not free but there was a discount  
vi. Housing benefits vii. Social insurance Please provide a  
description\_\_\_\_\_

15

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	221	40.2	40.2	40.2
1	104	18.9	18.9	59.1
1,3	1	.2	.2	59.3
1,3,7	5	.9	.9	60.2
1,6,7	5	.9	.9	61.1
1,7	13	2.4	2.4	63.5
2	78	14.2	14.2	77.6
3	12	2.2	2.2	79.8
3,6,7	1	.2	.2	80.0
3,7	1	.2	.2	80.2
4	37	6.7	6.7	86.9
4,5	1	.2	.2	87.1
4,6,7	4	.7	.7	87.8
4,7	4	.7	.7	88.5
5	19	3.5	3.5	92.0
5, 7 five insurances	1	.2	.2	92.2
5,7	3	.5	.5	92.7

6	3	.5	.5	93.3
6,7	9	1.6	1.6	94.9
7	26	4.7	4.7	99.6
7 endowment insurance	2	.4	.4	100.0
Total	550	100.0	100.0	

16. Do you think non-migrant workers contribute to your economic well being and economic welfare and bring skills to you?

1. Disagree strongly
2. Disagree
3. Agree
4. Agree strongly

16

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	5	.9	1.7	1.7
	2	72	13.1	24.7	26.5
	3	82	14.9	28.2	54.6
	4	132	24.0	45.4	100.0
	Total	291	52.9	100.0	
Missing	System	259	47.1		
Total		550	100.0		

17. If your answer is agree or agree strongly, how do non-migrant people contribute to your economic well-being and economic welfare and bring skills to you?

Please provide description\_\_\_\_\_

17

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		503	91.5	91.5	91.5
	communicate with each other about technology	1	.2	.2	91.6
	contribute to the success of career; make more friends	1	.2	.2	91.8
	friends	1	.2	.2	92.0
	guide	1	.2	.2	92.2
	guide each other	1	.2	.2	92.4
	help each other	3	.5	.5	92.9
	income	1	.2	.2	93.1
	know more friends	1	.2	.2	93.3
	know more people	1	.2	.2	93.5
	learn during work	1	.2	.2	93.6
	learn more skills	1	.2	.2	93.8
	learn with each other	2	.4	.4	94.2
	local staff would like to teach us	1	.2	.2	94.4
	mainly skills	1	.2	.2	94.5
	none	1	.2	.2	94.7
	old staff take new staff to learn skill	1	.2	.2	94.9
	practical tutoring	1	.2	.2	95.1
	receiving regular assistance from local staff	1	.2	.2	95.3
	share and introduce	1	.2	.2	95.5
	skills	22	4.0	4.0	99.5
	staff training	1	.2	.2	99.6

the local staff have their own advantages	1	.2	.2	99.8
treat equally	1	.2	.2	100.0
Total	550	100.0	100.0	

18. Below are a number of statements regarding reasons why you may have come to the city. Please answer all statements and for each one you can select any number from 0 for reasons you think are unimportant to 5 for reasons you think are extremely important. Please circle the appropriate number.

	Unimportant	Important				Extremely Important
xii. High income	0	1	2	3	4	5
xiii. Better life	0	1	2	3	4	5
xiv. Better welfare	0	1	2	3	4	5
xv. Good job	0	1	2	3	4	5
xvi. Good working and living Environment	0	1	2	3	4	5
xvii. Good opportunity	0	1	2	3	4	5
vii. Farming is too hard and I cannot earn very much from farming	0	1	2	3	4	5
viii. Get used to working in the city and the city lifestyle	0	1	2	3	4	5
ix. Nothing to do in the countryside	0	1	2	3	4	5
x. Hometown is too poor	0	1	2	3	4	5
xi. Prefer city life to country life	0	1	2	3	4	5
xii. Do not know how to farm as we were predisposed towards study	0	1	2	3	4	5
xiii. Earn money to support family members to study	0	1	2	3	4	5
xiv. Earn money to build a house in the	0	1	2	3	4	5

- countryside
- xv. Other people all go 0 1 2 3 4 5  
to work in the city
- xvi. People think we 0 1 2 3 4 5  
should go to the city  
to seek  
development
- xvii.If other, please provide a description\_\_\_\_\_

**Income 18**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	17	3.1	5.6	5.6
	1	47	8.5	15.6	21.2
	2	38	6.9	12.6	33.8
	3	47	8.5	15.6	49.3
	4	40	7.3	13.2	62.6
	5	113	20.5	37.4	100.0
	Total	302	54.9	100.0	
Missing	System	248	45.1		
Total		550	100.0		

**betterlife18**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	4	.7	1.3	1.3
	1	36	6.5	12.0	13.3
	2	47	8.5	15.6	28.9
	3	48	8.7	15.9	44.9
	4	41	7.5	13.6	58.5
	5	125	22.7	41.5	100.0
	Total	301	54.7	100.0	
Missing	System	249	45.3		
Total		550	100.0		

**welfare18**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	10	1.8	3.3	3.3
	1	43	7.8	14.2	17.5
	2	42	7.6	13.9	31.4
	3	49	8.9	16.2	47.5
	4	53	9.6	17.5	65.0
	5	106	19.3	35.0	100.0
	Total	303	55.1	100.0	
Missing	System	247	44.9		
Total		550	100.0		

**work18**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	6	1.1	2.0	2.0
	1	35	6.4	11.7	13.8
	2	34	6.2	11.4	25.2
	3	52	9.5	17.4	42.6

	4	49	8.9	16.4	59.1
	5	122	22.2	40.9	100.0
	Total	298	54.2	100.0	
Missing	System	252	45.8		
Total		550	100.0		

#### environment18

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	15	2.7	5.0	5.0
	1	38	6.9	12.6	17.5
	2	34	6.2	11.3	28.8
	3	37	6.7	12.3	41.1
	4	63	11.5	20.9	61.9
	5	115	20.9	38.1	100.0
	Total	302	54.9	100.0	
Missing	System	248	45.1		
Total		550	100.0		

#### opportunity18

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	12	2.2	4.1	4.1
	1	28	5.1	9.5	13.5
	2	33	6.0	11.1	24.7
	3	41	7.5	13.9	38.5
	4	55	10.0	18.6	57.1
	5	127	23.1	42.9	100.0
	Total	296	53.8	100.0	
Missing	System	254	46.2		
Total		550	100.0		

#### farminghard

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	56	10.2	19.6	19.6
	1	39	7.1	13.7	33.3
	2	29	5.3	10.2	43.5
	3	57	10.4	20.0	63.5
	4	33	6.0	11.6	75.1
	5	71	12.9	24.9	100.0
	Total	285	51.8	100.0	
Missing	System	265	48.2		
Total		550	100.0		

#### getusedtocitylife

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	73	13.3	24.9	24.9
	1	34	6.2	11.6	36.5
	2	32	5.8	10.9	47.4
	3	54	9.8	18.4	65.9
	4	43	7.8	14.7	80.5
	5	57	10.4	19.5	100.0
	Total	293	53.3	100.0	
Missing	System	257	46.7		
Total		550	100.0		

#### nothingtodointhecountryside

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	71	12.9	24.3	24.3
	1	51	9.3	17.5	41.8
	2	46	8.4	15.8	57.5
	3	54	9.8	18.5	76.0
	4	29	5.3	9.9	86.0
	5	41	7.5	14.0	100.0
	Total	292	53.1	100.0	
Missing	System	258	46.9		
Total		550	100.0		

#### poverty

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	107	19.5	39.2	39.2
	1	38	6.9	13.9	53.1
	2	26	4.7	9.5	62.6
	3	56	10.2	20.5	83.2
	4	22	4.0	8.1	91.2
	5	24	4.4	8.8	100.0
	Total	273	49.6	100.0	
Missing	System	277	50.4		
Total		550	100.0		

#### prefercitylife

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		264	48.0	48.0	48.0
	0	81	14.7	14.7	62.7
	1	31	5.6	5.6	68.4
	2	33	6.0	6.0	74.4
	3	52	9.5	9.5	83.8
	4	41	7.5	7.5	91.3
	5	48	8.7	8.7	100.0
	Total	550	100.0	100.0	

#### noknowledgeoffarming

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		264	48.0	48.0	48.0
	0	78	14.2	14.2	62.2
	1	44	8.0	8.0	70.2
	2	48	8.7	8.7	78.9
	3	46	8.4	8.4	87.3
	4	34	6.4	6.4	93.7
	5	35	6.4	6.4	100.0
	Total	550	100.0	100.0	

#### studysupport

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	106	19.3	37.1	37.1
	1	33	6.0	11.5	48.6
	2	38	6.9	13.3	61.9
	3	46	8.4	16.1	78.0
	4	27	4.9	9.4	87.4
	5	36	6.5	12.6	100.0
	Total	286	52.0	100.0	
Missing	System	264	48.0		
Total		550	100.0		

#### housingsupport

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	125	22.7	42.8	42.8
	1	32	5.8	11.0	53.8
	2	39	7.1	13.4	67.1
	3	32	5.8	11.0	78.1
	4	31	5.6	10.6	88.7
	5	33	6.0	11.3	100.0
	Total	292	53.1	100.0	
Missing	System	258	46.9		
Total		550	100.0		

#### followsuit

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	132	24.0	44.9	44.9
	1	29	5.3	9.9	54.8
	2	36	6.5	12.2	67.0
	3	46	8.4	15.6	82.7
	4	31	5.6	10.5	93.2
	5	20	3.6	6.8	100.0
	Total	294	53.5	100.0	
Missing	System	256	46.5		
Total		550	100.0		

#### otherpeoplethoughts

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	105	19.1	35.6	35.6
	1	38	6.9	12.9	48.5
	2	44	8.0	14.9	63.4
	3	50	9.1	16.9	80.3
	4	34	6.2	11.5	91.9
	5	24	4.4	8.1	100.0
	Total	295	53.6	100.0	
Missing	System	255	46.4		
Total		550	100.0		

19. To what extent have you achieved your aims in the city? Please read each one and indicate

whether you have achieved or have not achieved it by ticking one box for each statement. Please

answer all statements and for each one select any number from 0 for the statements you

did not achieve to 5 for statements you achieved fully.

		No Achievement	Achievement				Fully Achievement
vi.	High Income	0	1	2	3	4	5
vii.	Better Life	0	1	2	3	4	5
viii.	Better welfare	0	1	2	3	4	5
ix.	Good job	0	1	2	3	4	5
x.	Good environment	0	1	2	3	4	5
vi.	Good opportunity	0	1				

For details see Appendix 1 A59.

20. Following answer to question 15 and question 16, to what extent do you believe you will achieve your hopes for the future? Please answer all statements and for each one you can select any number from 0 for factors you think are unlikely to 5 for factors you think are extremely likely.

		Unlikely	Likely				Extremely Likely
i.	High Income	0	1	2	3	4	5
ii.	Better Life	0	1	2	3	4	5
iii.	Better welfare	0	1	2	3	4	5
iv.	Good job	0	1	2	3	4	5
v.	Good environment	0	1	2	3	4	5
vi.	Good opportunity	0	1	2	3	4	5

For details see Appendix 1 A60.

21. Given what you achieved so far, what is your current motivation that keeps you here? Do you

stay in the city because\_\_\_\_\_? Circle the appropriate number.

2. My future is in the city.

3. The option to go to the countryside is not available to me.

4. I do not want to go back.

5. I am willing to consider the option to return to the countryside.

6. If other, please provide a description\_\_\_\_\_.

21

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	241	43.8	43.8	43.8
1	174	31.6	31.6	75.5
2	29	5.3	5.3	80.7
3	45	8.2	8.2	88.9
4	54	9.8	9.8	98.7
5	6	1.1	1.1	99.8
v. if going back, nothing to do	1	.2	.2	100.0
Total	550	100.0	100.0	

22. Compared with when you lived in the countryside, your social status is now \_\_\_\_\_

i. Up a great deal      ii. A little higher      iii. Unchanged

iv. Down a bit      v. Down a great deal

22

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	38	6.9	15.4	15.4
1	121	22.0	49.2	64.6
2	80	14.5	32.5	97.2
3	3	.5	1.2	98.4
4	4	.7	1.6	100.0
5				
Total	246	44.7	100.0	
Missing	System	304	55.3	
Total	550	100.0		

23. Compared with families from a farming background who remained in your hometown, you or your family's economic condition is\_\_\_\_\_

i. Much better than other families      ii. A little better than other families      iii. No better no worse

iv. A little worse than other families      v. Much worse than other families      vi. Do not know



23

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	44	8.0	14.3	14.3
	2	158	28.7	51.3	65.6
	3	83	15.1	26.9	92.5
	4	9	1.6	2.9	95.5
	5	6	1.1	1.9	97.4
	6	8	1.5	2.6	100.0
	Total	308	56.0	100.0	
Missing	System	242	44.0		
Total		550	100.0		

24. How do you position yourself?

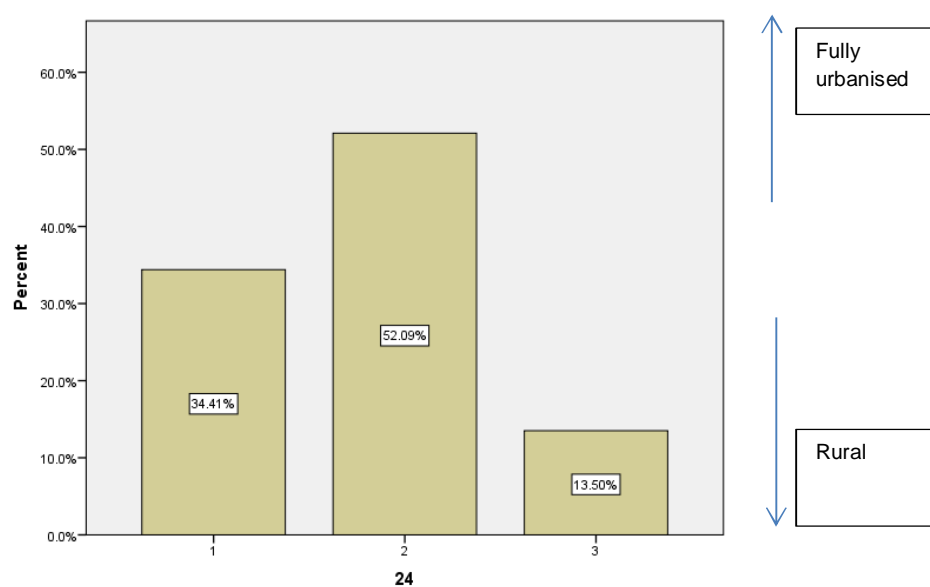
- ii. Rural                      ii. Partly Urbanised                      iii. Fully Urbanised

If your answer is Rural, please answer question 25 and 26. If others, please go directly to question 28.

24

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	107	19.5	34.4	34.4
	2	162	29.5	52.1	86.5
	3	42	7.6	13.5	100.0
	Total	311	56.5	100.0	
Missing	System	239	43.5		
Total		550	100.0		

The responses of rural migrant workers from question 24



1= Rural                      2= Partly Urbanised                      3= Fully Urbanised

25. Why do you think that you are still rural or partly urbanised?

- i. My roots are in the countryside      ii. Family members or relatives live in the countryside      iii. Urban citizens perceive me as rural      iv. Agricultural household registration

25

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	124	22.5	50.2	50.2
	2	65	11.8	26.3	76.5
	3	12	2.2	4.9	81.4
	4	46	8.4	18.6	100.0
	Total	247	44.9	100.0	
Missing	System	303	55.1		
Total		550	100.0		

26. Would you like others to change your status from being rural?

- i. Yes      ii. No

If your answer is no, please also answer question 27. If your answer is yes, please go directly to question 28.

26

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	130	23.6	52.6	52.6
	2	117	21.3	47.4	100.0
	Total	247	44.9	100.0	
Missing	System	303	55.1		
Total		550	100.0		

27. Why would you not like to change your perceived status of being rural?

- i. My roots are in the countryside      ii. At ease with country style      iii. It does not matter if I am rural or not      iv. Do not like to be perceived as a city person      v. If other, please provide a description\_\_\_\_\_

27

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	49	8.9	30.2	30.2
	2	19	3.5	11.7	42.0
	3	90	16.4	55.6	97.5
	4	4	.7	2.5	100.0
	Total	162	29.5	100.0	
Missing	System	388	70.5		
Total		550	100.0		

28. Would you like to return to the countryside to work, to promote the enlargement of township in the countryside and to contribute to the construction of a new countryside or to continue to work in the city?

- i. Return to the countryside to work      ii. Work in the city      iii. It does not matter to me

28

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	10	1.8	3.4	3.4
	2	150	27.3	51.4	54.8

	3	132	24.0	45.2	100.0
	Total	292	53.1	100.0	
Missing	System	258	46.9		
Total		550	100.0		

29. How has the development, growth, expansion and industrialism of the city affected you?

- i. Better education      ii. Better health care      iii. Higher quality of life      iv. Access to better amenities  
v. Greater pollution      vi. Better life-style      vii. Better facilities  
viii. Higher income      ix. If others, please provide \_\_\_\_\_

29

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	24	4.4	13.2	13.2
	2	4	.7	2.2	15.4
	3	49	8.9	26.9	42.3
	4	43	7.8	23.6	65.9
	5	18	3.3	9.9	75.8
	6	28	5.1	15.4	91.2
	7	5	.9	2.7	94.0
	8	11	2.0	6.0	100.0
	Total	182	33.1	100.0	
Missing	System	368	66.9		
Total		550	100.0		

30. What difficulties do you often meet when you interact with urban citizens?

- i. No difficulties      ii. Mode of thinking and concepts are different      iii. Life style is different  
iv. Not enough chances to socialise with urban citizen      v. Urban citizen look down on us      vi. If other, please provide a description \_\_\_\_\_

30.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	135	24.5	47.9	47.9
	2	49	8.9	17.4	65.2
	3	59	10.7	20.9	86.2
	4	25	4.5	8.9	95.0
	5	14	2.5	5.0	100.0
	Total	282	51.3	100.0	
Missing	System	268	48.7		
Total		550	100.0		

31. In their hearts, do you think urban citizens are willing to socialise with you?

- i. With a great deal of pleasure      ii. Willingly      iii. Not very willingly      iv. Reluctantly

31

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	i with a great deal of pleasure	21	3.8	7.1	7.1
	ii willingly	206	37.5	69.4	76.4
	iii not very willingly	60	10.9	20.2	96.6
	iv reluctantly	10	1.8	3.4	100.0
	Total	297	54.0	100.0	
Missing	System	253	46.0		
Total		550	100.0		

32. Do you think urban citizens are friendly?

i. Very friendly

ii. Friendly

iii. Not very friendly

32

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	21	3.8	7.2	7.2
	2	238	43.3	81.8	89.0
	3	32	5.8	11.0	100.0
	Total	291	52.9	100.0	
Missing	System	259	47.1		
Total		550	100.0		

33. What comments do you think urban citizens make about rural migrant workers? Please

answer all statements and for each one you can select any number from -5 to 5.

i. Low moral standards

High moral standards

-5 -4 -3 -2 -1 1 2 3 4 5

ii. Intolerant

Tolerant

-5 -4 -3 -2 -1 1 2 3 4 5

iii. Hostile

Friendly

-5 -4 -3 -2 -1 1 2 3 4 5

iv. Unsupportive

Supportive

-5 -4 -3 -2 -1 1 2 3 4 5

v. Inhospitable

Close

-5 -4 -3 -2 -1 1 2 3 4 5

vi. Arrogant

Meek

-5 -4 -3 -2 -1 1 2 3 4 5

vii. Lazy

Endure hardship and work hard

-5 -4 -3 -2 -1 1 2 3 4 5

viii. If other, please provide a description\_\_\_\_\_

33 i

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	-5	3	.5	1.0	1.0
	-4	2	.4	.7	1.7
	-3	2	.4	.7	2.4
	-2	16	2.9	5.4	7.8
	-1	36	6.5	12.2	20.0
	1	89	16.2	30.2	50.2
	2	56	10.2	19.0	69.2
	3	36	6.5	12.2	81.4
	4	26	4.7	8.8	90.2
	5	29	5.3	9.8	100.0
	Total	295	53.6	100.0	

Missing	System	255	46.4		
Total		550	100.0		

ii

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	-5	3	.5	1.0	1.0
	-4	1	.2	.3	1.4
	-3	6	1.1	2.0	3.4
	-2	21	3.8	7.1	10.5
	-1	39	7.1	13.2	23.6
	1	75	13.6	25.3	49.0
	2	50	9.1	16.9	65.9
	3	43	7.8	14.5	80.4
	4	25	4.5	8.4	88.9
	5	33	6.0	11.1	100.0
	Total	296	53.8	100.0	
Missing	System	254	46.2		
Total		550	100.0		

iii

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	-5	7	1.3	2.4	2.4
	-4	3	.5	1.0	3.4
	-3	7	1.3	2.4	5.8
	-2	20	3.6	6.8	12.7
	-1	39	7.1	13.4	26.0
	1	65	11.8	22.3	48.3
	2	44	8.0	15.1	63.4
	3	37	6.7	12.7	76.0
	4	31	5.6	10.6	86.6
	5	39	7.1	13.4	100.0
	Total	292	53.1	100.0	
Missing	System	258	46.9		
Total		550	100.0		

iv

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	-5	6	1.1	2.0	2.0
	-4	4	.7	1.4	3.4
	-3	10	1.8	3.4	6.8
	-2	10	1.8	3.4	10.2
	-1	25	4.5	8.5	18.6
	1	64	11.6	21.7	40.3
	2	36	6.5	12.2	52.5
	3	53	9.6	18.0	70.5
	4	38	6.9	12.9	83.4
	5	49	8.9	16.6	100.0
	Total	295	53.6	100.0	
Missing	System	255	46.4		
Total		550	100.0		

v

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	-5	15	2.7	5.0	5.0
	-4	8	1.5	2.7	7.7
	-3	6	1.1	2.0	9.7
	-2	24	4.4	8.0	17.7

	-1	24	4.4	8.0	25.7
	1	66	12.0	22.0	47.7
	2	40	7.3	13.3	61.0
	3	57	10.4	19.0	80.0
	4	25	4.5	8.3	88.3
	5	35	6.4	11.7	100.0
	Total	300	54.5	100.0	
Missing	System	250	45.5		
Total		550	100.0		

vi

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	-5	5	.9	1.7	1.7
	-4	10	1.8	3.4	5.0
	-3	11	2.0	3.7	8.7
	-2	21	3.8	7.0	15.8
	-1	26	4.7	8.7	24.5
	1	63	11.5	21.1	45.6
	2	38	6.9	12.8	58.4
	3	36	6.5	12.1	70.5
	4	45	8.2	15.1	85.6
	5	43	7.8	14.4	100.0
	Total	298	54.2	100.0	
Missing	System	252	45.8		
Total		550	100.0		

vii

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	-5	5	.9	1.8	1.8
	-4	4	.7	1.4	3.2
	-3	3	.5	1.1	4.2
	-2	14	2.5	4.9	9.1
	-1	10	1.8	3.5	12.6
	1	50	9.1	17.5	30.2
	2	32	5.8	11.2	41.4
	3	32	5.8	11.2	52.6
	4	44	8.0	15.4	68.1
	5	91	16.5	31.9	100.0
	Total	285	51.8	100.0	
Missing	System	265	48.2		
Total		550	100.0		

viii

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		549	99.8	99.8	99.8
	people are different	1	.2	.2	100.0
	Total	550	100.0	100.0	

34. What comments do you make about urban citizens? Please answer all statements and for each

one you can select any number from -5 to 5.

i. Low moral standards

High moral standards

-5   -4   -3   -2   -1   1   2   3   4   5

ii. Intolerant

Tolerant

-5 -4 -3 -2 -1 1 2 3 4 5

iii. Hostile

Friendly

-5 -4 -3 -2 -1 1 2 3 4 5

iv. Unsupportive

Supportive

-5 -4 -3 -2 -1 1 2 3 4 5

v. Inhospitable

Welcoming

-5 -4 -3 -2 -1 1 2 3 4 5

vi. Arrogant

Meek

-5 -4 -3 -2 -1 1 2 3 4 5

vii. Lazy

Endure hardship and work hard

-5 -4 -3 -2 -1 1 2 3 4 5

viii. If other, please provide a description\_\_\_\_\_

34 i

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	-5	12	2.2	4.0	4.0
	-4	6	1.1	2.0	6.0
	-3	9	1.6	3.0	9.0
	-2	15	2.7	5.0	14.0
	-1	27	4.9	9.0	23.1
	0	2	.4	.7	23.7
	1	93	16.9	31.1	54.8
	2	70	12.7	23.4	78.3
	3	39	7.1	13.0	91.3
	4	12	2.2	4.0	95.3
	5	14	2.5	4.7	100.0
	Total	299	54.4	100.0	
Missing	System	251	45.6		
Total		550	100.0		

ii

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	-5	8	1.5	2.7	2.7
	-4	6	1.1	2.0	4.7
	-3	14	2.5	4.7	9.5
	-2	18	3.3	6.1	15.5
	-1	36	6.5	12.2	27.7
	0	2	.4	.7	28.4
	1	76	13.8	25.7	54.1
	2	57	10.4	19.3	73.3
	3	48	8.7	16.2	89.5
	4	20	3.6	6.8	96.3
	5	11	2.0	3.7	100.0
	Total	296	53.8	100.0	
Missing	System	254	46.2		

Total	550	100.0		
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iii

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	-5	8	1.5	2.7	2.7
	-4	6	1.1	2.0	4.7
	-3	9	1.6	3.0	7.8
	-2	25	4.5	8.4	16.2
	-1	25	4.5	8.4	24.7
	0	3	.5	1.0	25.7
	1	85	15.5	28.7	54.4
	2	61	11.1	20.6	75.0
	3	38	6.9	12.8	87.8
	4	19	3.5	6.4	94.3
	5	17	3.1	5.7	100.0
	Total	296	53.8	100.0	
Missing	System	254	46.2		
Total		550	100.0		

iv

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	-5	12	2.2	4.0	4.0
	-4	12	2.2	4.0	8.1
	-3	10	1.8	3.4	11.4
	-2	19	3.5	6.4	17.8
	-1	36	6.5	12.1	29.9
	0	3	.5	1.0	30.9
	1	75	13.6	25.2	56.0
	2	40	7.3	13.4	69.5
	3	43	7.8	14.4	83.9
	4	28	5.1	9.4	93.3
	5	20	3.6	6.7	100.0
	Total	298	54.2	100.0	
Missing	System	252	45.8		
Total		550	100.0		

v

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	-5	11	2.0	3.7	3.7
	-4	9	1.6	3.0	6.8
	-3	15	2.7	5.1	11.8
	-2	27	4.9	9.1	20.9
	-1	40	7.3	13.5	34.5
	0	2	.4	.7	35.1
	1	71	12.9	24.0	59.1
	2	52	9.5	17.6	76.7
	3	34	6.2	11.5	88.2
	4	22	4.0	7.4	95.6
	5	13	2.4	4.4	100.0
	Total	296	53.8	100.0	
Missing	System	254	46.2		
Total		550	100.0		

vi

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	-5	14	2.5	4.7	4.7



	-4	21	3.8	7.1	11.8
	-3	16	2.9	5.4	17.2
	-2	35	6.4	11.8	29.1
	-1	32	5.8	10.8	39.9
	0	2	.4	.7	40.5
	1	65	11.8	22.0	62.5
	2	24	4.4	8.1	70.6
	3	43	7.8	14.5	85.1
	4	32	5.8	10.8	95.9
	5	12	2.2	4.1	100.0
	Total	296	53.8	100.0	
Missing	System	254	46.2		
Total		550	100.0		

vii

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	-5	13	2.4	4.4	4.4
	-4	14	2.5	4.7	9.1
	-3	15	2.7	5.1	14.1
	-2	28	5.1	9.4	23.6
	-1	28	5.1	9.4	33.0
	0	2	.4	.7	33.7
	1	84	15.3	28.3	62.0
	2	43	7.8	14.5	76.4
	3	34	6.2	11.4	87.9
	4	24	4.4	8.1	96.0
	5	12	2.2	4.0	100.0
	Total	297	54.0	100.0	
Missing	System	253	46.0		
Total		550	100.0		

35. Are you willing to let other people know that you are from a rural area?

i. Yes      ii. No

35

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	281	51.1	92.7	92.7
	no	22	4.0	7.3	100.0
	Total	303	55.1	100.0	
Missing	System	247	44.9		
Total		550	100.0		

36. I am constantly aware of the differences between living in the countryside and the city?

i. Yes      ii. No

36

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	206	37.5	68.2	68.2
	no	96	17.5	31.8	100.0
	Total	302	54.9	100.0	
Missing	System	248	45.1		
Total		550	100.0		

37. I often notice the differences between people from the countryside and those from cities?

i. Yes      ii. No

**37**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	123	22.4	58.9	58.9
	2	86	15.6	41.1	100.0
	Total	209	38.0	100.0	
Missing	System	341	62.0		
Total		550	100.0		

38.I like to socialise with urban citizens?

i. Yes      ii. No

**38**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	156	28.4	76.1	76.1
	2	49	8.9	23.9	100.0
	Total	205	37.3	100.0	
Missing	System	345	62.7		
Total		550	100.0		

39.I like to socialise with people who are from the countryside?

i. Yes      ii. No

**39**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	188	34.2	91.7	91.7
	2	17	3.1	8.3	100.0
	Total	205	37.3	100.0	
Missing	System	345	62.7		
Total		550	100.0		

If your first job is not your current job, please also answer the following questions in section 3.

### Section 3

1. Your current Political Status?

i. Communist party member      ii. Member of a democratic party      iii. Non-member of any party

### section 3 1

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	i.Communist party member	67	12.2	13.1	13.1
	ii.Member of a democratic party	6	1.1	1.2	14.2
	iii.Non-member of any party	440	80.0	85.8	100.0
	Total	513	93.3	100.0	
Missing	System	37	6.7		
Total		550	100.0		

2. How did you find your current job? Please ring the appropriate number.

i. media advertisement   ii. outdoor advertising   iii. labour force

market   iv. employment agency   v. direct application

vi. Introduced by relatives and friends in the City   vii. Introduced by

acquaintances   viii. Introduced by fellow-villager who came to a city earlier

than you.   viii. If other, please provide a description\_\_\_\_\_

2

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	63	11.5	11.5	11.5
1	35	6.4	6.4	17.8
1,5	2	.4	.4	18.2
2	7	1.3	1.3	19.5
3	69	12.5	12.5	32.0
4	38	6.9	6.9	38.9
5	128	23.3	23.3	62.2
6	57	10.4	10.4	72.5
6,7	2	.4	.4	72.9
7	52	9.5	9.5	82.4
8	20	3.6	3.6	86.0
9	25	4.5	4.5	90.5
9 after graduation allocation	2	.4	.4	90.9
9 after graduation apply for job	1	.2	.2	91.1
9 after graduation recruitment	1	.2	.2	91.3
9 allocation	9	1.6	1.6	92.9
9 Campus Job Interviews	3	.5	.5	93.5
9 exam	2	.4	.4	93.8
9 graduation allocation	2	.4	.4	94.2
9 Internet	2	.4	.4	94.5
9 job assignment	1	.2	.2	94.7
9 job assignment on graduation	1	.2	.2	94.9
9 recruitment	19	3.5	3.5	98.4
9 recruitment in planning economy	1	.2	.2	98.5
9 state owned company recruitment	5	.9	.9	99.5
9 stateowned company recruitment	1	.2	.2	99.6
9 study/university	1	.2	.2	99.8
9 transfer of employee because of job demand	1	.2	.2	100.0
Total	550	100.0	100.0	

3. Your current position is \_\_\_\_\_

i. executive position   ii. Technical work   iii. production post

iv. rear service post      v. If other, please provide a description\_\_\_\_\_

3

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	95	17.3	19.5	19.5
	2	89	16.2	18.2	37.7
	3	175	31.8	35.9	73.6
	4	111	20.2	22.7	96.3
	5	18	3.3	3.7	100.0
	Total	488	88.7	100.0	
Missing	System	62	11.3		
Total		550	100.0		

4. The company where you currently work is a \_\_\_\_\_

i. Party and government organisation    ii. State-owned company

iii. Private company

iv. If other, please provide a description\_\_\_\_\_

4

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	ii state-owned company	179	32.5	32.6	32.6
	iii private company	370	67.3	67.4	100.0
	Total	549	99.8	100.0	
Missing	System	1	.2		
Total		550	100.0		

5. Which industry does your current post belong to?

i. Manufacturing    ii. Building industry    iii. Retail trade

iv.service trade    v. If others, please provide details\_\_\_\_\_

5

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		41	7.5	7.5	7.5
	1	249	45.3	45.3	52.7
	2	63	11.5	11.5	64.2
	3	41	7.5	7.5	71.6
	3,4	2	.4	.4	72.0
	4	100	18.2	18.2	90.2
	5	12	2.2	2.2	92.4
	5 coal industry	37	6.7	6.7	99.1
	5 electricity	1	.2	.2	99.3
	5 environment industry	1	.2	.2	99.5
	5 IT	1	.2	.2	99.6
	5 sales	1	.2	.2	99.8
	5 transportation	1	.2	.2	100.0
	Total	550	100.0	100.0	

6. Does your current company offer you accommodation and food?

i. Offers both    ii. Offers neither    iii. Provides meals

iv. Only provides accommodation v. Not free but there is a discount vi.

Housing benefits vii. Social insurance Please provide a description\_\_\_\_\_

6

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	56	10.2	10.2	10.2
1	54	9.8	9.8	20.0
1,6,7	13	2.4	2.4	22.4
1,7	10	1.8	1.8	24.2
2	78	14.2	14.2	38.4
2,7	1	.2	.2	38.5
3	41	7.5	7.5	46.0
3,6,7	5	.9	.9	46.9
3,7	27	4.9	4.9	51.8
3,6,7	1	.2	.2	52.0
4	25	4.5	4.5	56.5
4,6	2	.4	.4	56.9
4,6,7	10	1.8	1.8	58.7
4,7	10	1.8	1.8	60.5
5	17	3.1	3.1	63.6
5,6,7	2	.4	.4	64.0
5,7	9	1.6	1.6	65.6
6	4	.7	.7	66.4
6,7	79	14.4	14.4	80.7
7	97	17.6	17.6	98.4
7 and do not provide room and board	1	.2	.2	98.5
7 endowment insurance	1	.2	.2	98.7
7 five insurances	2	.4	.4	99.1
7 five insurances and accumulation fund	3	.5	.5	99.6
7 individual opay some; company pay some	1	.2	.2	99.8
7 temporarily not offer insurances	1	.2	.2	100.0
Total	550	100.0	100.0	

7. Your professional technical title / technical class in your current job

i. No professional technical title ii. No professional title, but master of a trade iii. Primary professional technical title iv. Intermediate professional technical title v. High professional technical title

7

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid				
1	181	32.9	36.1	36.1
2	102	18.5	20.4	56.5
3	114	20.7	22.8	79.2
4	81	14.7	16.2	95.4
5	23	4.2	4.6	100.0
Total	501	91.1	100.0	
Missing System	49	8.9		
Total	550	100.0		

8. Your current income per month is \_\_\_\_\_

i 0-1000 yuan ii 1000-2000 yuan iii 2000-3000 yuan iv 3000-4000 yuan v 4000-5000 yuan vi 5000-6000 yuan vii 6000-7000 yuan viii 7000-8000 yuan ix above 8000

yuan

8

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	i.o-1000yuan	29	5.3	5.7	5.7
	ii.1000-2000yuan	193	35.1	38.1	43.8
	iii.2000-3000yuan	182	33.1	35.9	79.7
	iv.3000-4000yuan	60	10.9	11.8	91.5
	v.4000-5000yuan	26	4.7	5.1	96.6
	vi.5000-6000yuan	6	1.1	1.2	97.8
	vii.6000-7000yuan	5	.9	1.0	98.8
	viii.7000-8000yuan	4	.7	.8	99.6
	ix.above 8000	2	.4	.4	100.0
	Total	507	92.2	100.0	
Missing	System	43	7.8		
Total		550	100.0		

9. Have you attended any community organisations such as a trade union or sports group?

i. Yes Please provide description\_\_\_\_\_ ii. No

If you answer yes, please answer question 10 and 11.

9

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		64	11.6	11.6	11.6
	1	73	13.3	13.3	24.9
	1 basketball activity	1	.2	.2	25.1
	1 basketball games	1	.2	.2	25.3
	1 football	1	.2	.2	25.5
	1 sports activity	1	.2	.2	25.6
	1 staff activities	1	.2	.2	25.8
	1 the company organises activities	1	.2	.2	26.0
	1 the party's birthday the speech contest	2	.4	.4	26.4
	1 trade union	14	2.5	2.5	28.9
	1 willing to attend all kinds of activities the company organise	1	.2	.2	29.1
	1badminton	1	.2	.2	29.3
	2	389	70.7	70.7	100.0
	Total	550	100.0	100.0	

10. What are the main benefits from joining this group? Please provide description

\_\_\_\_\_

10

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		493	89.6	89.6	89.6
	0	1	.2	.2	89.8
	cohesion and cooperation	1	.2	.2	90.0
	cohesion spirit	1	.2	.2	90.2
	entertainment and exercises	1	.2	.2	90.4
	exercises	19	3.5	3.5	93.8
	exercises and learn	1	.2	.2	94.0
	good	1	.2	.2	94.2
	happy	1	.2	.2	94.4
	healthy	2	.4	.4	94.7

healthy, happy	1	.2	.2	94.9
help community organise	1	.2	.2	95.1
copublic-spirited activity and	1	.2	.2	95.3
improve in all respects	1	.2	.2	95.5
improve skills, know more friends	1	.2	.2	95.6
increase the cohesion of the	1	.2	.2	95.8
team	1	.2	.2	96.0
interest and right protection	1	.2	.2	96.2
keep healthy	1	.2	.2	96.4
learn new agriculture	1	.2	.2	97.5
living goods	1	.2	.2	97.8
organisation of tourism, activities	1	.2	.2	98.2
skills	6	1.1	1.1	98.5
strengthen the body	2	.4	.4	98.9
team	2	.4	.4	99.1
team activities	2	.4	.4	99.5
team cohesion, build body	2	.4	.4	99.6
strength	2	.4	.4	100.0
team honour	1	.2	.2	
team spirit	2	.4	.4	
temper willpower and mentality	1	.2	.2	
welfare	2	.4	.4	
Total	550	100.0	100.0	

11. How actively do you participate in the group's decision making?

i. Leader ii. Very active iii. Somewhat active iv. Do not participate in decision making

11

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	378	68.7	68.7	68.7
1	4	.7	.7	69.5
2	48	8.7	8.7	78.2
3	66	12.0	12.0	90.2
4	54	9.8	9.8	100.0
Total	550	100.0	100.0	

12. Are you prevented from or do you not have access to social insurance?

i. Yes ii. No

If you answer no, please answer question 13.

12

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid i. can join	412	74.9	85.7	85.7
ii. cannot join	69	12.5	14.3	100.0
Total	481	87.5	100.0	
Missing System	69	12.5		
Total	550	100.0		

13. What kind of social insurance do you have? Please provide description \_\_\_\_\_

13

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	425	77.3	77.3	77.3

0	9	1.6	1.6	78.9
accident insurance	13	2.4	2.4	81.3
accident insurances	1	.2	.2	81.5
CPIC Personal Insurance	1	.2	.2	81.6
endowment insurance	12	2.2	2.2	83.8
endowment insurance in urban area	4	.7	.7	84.5
endowment insurance insurance, medical insurance	1	.2	.2	84.7
endowment insurance, accident, job loss insurances	2	.4	.4	85.1
endowment insurance, job loss insurance	1	.2	.2	85.3
endowment insurance, medical insurance	4	.7	.7	86.0
endowment insurance, medical insurance, unemployment insurance	3	.5	.5	86.5
five insurances	15	2.7	2.7	89.3
five insurances and housing common reserve fund	2	.4	.4	89.6
five insurances and housing common reserve fund	1	.2	.2	89.8
five insurances and housing fund	4	.7	.7	90.5
five insurances medical insurance	1	.2	.2	90.7
life insurance	2	.4	.4	91.1
medical insurance, endowment insurance	1	.2	.2	91.3
medical insurance, endowment insurance, accident insurance	2	.4	.4	91.6
medical insurance, endowment insurance, public accumulation fund for housing construction	1	.2	.2	91.8
medical insurance, insurance against suspension of work	2	.4	.4	92.2
medical insurance, insurance against suspension of work, accident insurance, endowment insurance	1	.2	.2	92.4



medical insurance	14	2.5	2.5	94.9
medical insurance, accident insurance, personal insurance	3	.5	.5	95.5
medical insurance, insurance against suspension of work	1	.2	.2	95.6
medical insurance, endowment insurance, unemployment insurance	2	.4	.4	96.0
new rural cooperative medical insurance	2	.4	.4	96.4
new rural cooperative medical insurance,	3	.5	.5	96.9
only have accident insurance	1	.2	.2	97.1
pension, medical, accident, job loss insurances	1	.2	.2	97.3
social insurance	4	.7	.7	98.0
social insurance, medical insurance	3	.5	.5	98.5
social insurances	4	.7	.7	99.3
state owned company's insurances	1	.2	.2	99.5
Taikang life insurance	1	.2	.2	99.6
temporarily not buying	1	.2	.2	99.8
three insurances and housing common reserve fund	1	.2	.2	100.0
Total	550	100.0	100.0	

#### Section 4

For analysis details see chapter 5.

## Appendix III

### **Questionnaire**

## Appendix III

The full text of the questionnaire is as follows:

### Section 1

1.Are you male or female?

PLEASE GIVE ONE ANSWER ONLY AND TICK THE APPROPRIATE BOX

- i Male..... ☐
- ii Female..... ☐

2.Into which of the following groups does your age range fall?

PLEASE GIVE ONE ANSWER ONLY AND TICK THE APPROPRIATE BOX

- 18-25..... ☐
- 26-29..... ☐
- 30-34..... ☐
- 35-39..... ☐
- 40-44..... ☐
- 45-49..... ☐
- 50-54..... ☐
- 55-59..... ☐
- 60-65..... ☐
- Over 65..... ☐

3.Your hometown is located in i Zoucheng City ii If in another town or city ,

please give details\_\_\_\_\_

4.The length of your education was \_\_\_\_\_

PLEASE CIRCLE THE HIGHEST LEVEL YOU HAVE ATTENDED

i Junior middle school ii Senior high school iii Junior vocational college iv.

University v. Other Please give details\_\_\_\_\_

5.Your type of household registration/hukou

PLEASE GIVE ONE ANSWER ONLY AND TICK THE APPROPRIATE BOX

i.Agricultural ..... ☐

ii.Non-agricultural..... ☐

6.What is your marital status? PLEASE TICK THE APPROPRIATE BOX

i Married ..... ☐

ii Single..... ☐

7.Where does your partner live?

i. Zoucheng City

ii. Hometown (if not Zoucheng City) Please give details

\_\_\_\_\_

8. What is your spouse's occupation? Please give details\_\_\_\_\_

If your household registration is agricultural household registration/hukou or if you once had agricultural household registration/hukou, please also answer the following questions in section 2, and answer questions in sections 3 and 4. If you are a non-rural migrant, please go directly to the questions in sections 3 and 4.

Section 2

1.When did you change your agricultural household registration? Please circle the appropriate number.

i 2 years ago ii 3 -5 years ago iii 6-10 years ago iv 11-15 years ago v more than

15 years ago \_\_\_\_\_ vi I did not change my agricultural household registration

2. Why did you change your agricultural household registration? Please give details\_\_\_\_\_

3. Are you the first generation of workers from countryside or the second generation?

i first generation

ii second generation

4. What job did you do before you came to the city?

- i. Farm    ii. Township enterprise    iii. self-employed    iv. Village cadres  
v. Student    vi. If other, please provide description \_\_\_\_\_

5. Your professional technical title/ technical class before you came to the city

- i. No professional technical title    ii. No professional title, but master  
of a trade    iii. Primary professional technical title    iv. Intermediate professional  
technical title    v. High professional technical title

6. Where did you first work in a city? Please provide description \_\_\_\_\_

7. What job did you obtain when you first came to the city?

- i. Executive position    ii. Technical work    iii. Production post    iv. rear service?  
v. Self-employed    vi. If other, please provide description \_\_\_\_\_

8. The company where you first worked is / was \_\_\_\_\_

- i. Party and government organisation    ii. State-owned company  
iii. Private company    iii. If other, please provide a description \_\_\_\_\_

9. Which industry did your first job belong to?

- i. Manufacturing    ii. Building industry    iii. Retail trade  
iv. Service trade  
v. If other, please provide a description \_\_\_\_\_

10. When did you obtain your first job as an employee in the city? Please give details

\_\_\_\_\_

11. How did you first come to the city to seek a job?

PLEASE GIVE ONE ANSWER ONLY

- i. On your own    ii. Went to live with your relatives or friends

- iii. Came with a fellow- villager    iv. Guided by a fellow-villager who lives  
in the city    v. If other, please provide a description\_\_\_\_\_

12. How did you find your first job?

PLEASE GIVE ONE ANSWER ONLY AND CIRCLE THE APPROPRIATE NUMBER

- i. Media advertisement    ii. Outdoor advertising    iii. Labour force market    iv.

Employment agency    v. Direct application

- vi. Introduced by relatives and friends in the city    vii. Introduced by

acquaintances    viii. Introduced by a fellow- villager who came to the city earlier

than you.    viii. If other, please provide a description \_\_\_\_\_

13. How many years have you worked / did you work in the city in your first job?

\_\_\_\_\_

14. What are / were your earnings per month in your first job? Circle the appropriate number

- i 0-1000 yuan    ii 1000-2000 yuan    iii 2000-3000 yuan    iv 3000-4000 yuan    v 4000-5000 yuan

- vi 5000-6000 yuan    vii 6000-7000 yuan    viii 7000-8000 yuan    ix above 8000 yuan

15. Did your first company offer you accommodation, food and insurance?

PLEASE GIVE ONE ANSWER ONLY AND PLEASE CIRCLE THE APPROPRIATE NUMBER

- i. Offered both    ii. Offered neither    iii. Provided meals

- iv. Only provided accommodation    v. Not free but there was a discount

- vi. Housing benefits    vii. Social insurance    Please provide a

description\_\_\_\_\_

16. Do you think non-migrant workers contribute to your economic well-being and economic welfare and bring skills to you?

2. Disagree strongly  
3. Disagree  
4. Agree  
5. Agree strongly

17. If your answer is agree or agree strongly, how do non-migrant people contribute

to your economic well being and economic welfare and bring skills to you?

Please provide a description\_\_\_\_\_

18. Below are a number of statements regarding reasons why you may have come to the city. Please answer all statements and for each one you may select any number from 0 for reasons you think are unimportant to 5 for reasons you think are extremely important. Please circle the appropriate number. Please circle the appropriate number.

	Unimportant	1	2	3	4	Extremely Important
i. High income	0	1	2	3	4	5
ii. Better life	0	1	2	3	4	5
iii. Better welfare	0	1	2	3	4	5
iv. Good job	0	1	2	3	4	5
v. Good Environment	0	1	2	3	4	5
vi. Good opportunity	0	1	2	3	4	5
vii. Farming is too hard and I cannot earn very much from farming	0	1	2	3	4	5
viii. Get used to working in the city and the city lifestyle	0	1	2	3	4	5
ix. Nothing to do in the countryside	0	1	2	3	4	5
x. Hometown is too poor	0	1	2	3	4	5
xi. Prefer city life to country life	0	1	2	3	4	5
xii. Do not know how to farm as we were predisposed towards study	0	1	2	3	4	5
xiii. Earn money to support family members to study	0	1	2	3	4	5
xiv. Earn money to build a house in the countryside	0	1	2	3	4	5
xv. Other people all go to work in the city	0	1	2	3	4	5
xvi. People think we	0	1	2	3	4	5

should go to the city  
to seek  
development

xvii.If other, please provide a description\_\_\_\_\_

19. To what extent have you achieved your aims in the city? Please read each one and indicate whether you have achieved or have not achieved it by ticking one box for each statement.
- Please answer all statements and for each one select any number from 0 for the statements you did not achieve to 5 for statements you achieved fully.

		No Achievement	Achievement				Full Achievement	
xi.	High Income	0	1	2	3	4	5	
xii.	Better Life	0	1	2	3	4	5	
xiii.	Better welfare	0	1	2	3	4	5	
xiv.	Good job	0	1	2	3	4	5	
xv.	Good Environment	0	1	2	3	4	5	
vi.	Good opportunity	0	1	2	3	4	5	

20. Following answer to question 15 and question 16, to what extent do you believe you will achieve your hopes for the future? Please answer all statements and for each one you can select any number from 0 for factors you think are unlikely to 5 for factors you think are extremely likely.

		Unlikely	Likely				Extremely Likely	
i.	High Income	0	1	2	3	4	5	
ii.	Better Life	0	1	2	3	4	5	
iii.	Better welfare	0	1	2	3	4	5	
iv.	Good job	0	1	2	3	4	5	
v.	Good environment	0	1	2	3	4	5	
vi.	Good opportunity	0	1	2	3	4	5	

21. Given what you achieved so far, what is your current motivation that keeps you here? Do

you stay in the city because\_\_\_\_\_? Circle the appropriate number.

- i. My future is in the city.
- ii. The option to go to the countryside is not available to me.
- iii. I do not want to go back.
- iv. I am willing to consider the option to return to the countryside.
- v. If other, please provide a description\_\_\_\_\_.

22. Compared with when you lived in the countryside, your social status is now \_\_\_\_\_

- ii. Up a great deal
- ii. A little higher
- iii. Unchanged
- v. Down a bit
- v. Down a great deal

23. Compared with families from a farming background who remained in your hometown, you or your family's economic condition is\_\_\_\_\_



- i. Much better than other families      ii. A little better than other families
- iii. No better no worse      iv. A little worse than other families      v. Much worse than other families
- vi. Do not know

24. How do you position yourself?

- iii. Rural      ii. Partly Urbanised      iii. Fully Urbanised

If your answer is Rural, please answer questions 25 and 26. If other, please go directly to question 28.

25. Why do you regard yourself as still rural or partly urbanised?

- ii. My roots are in the countryside      ii. Family members or relatives live in the countryside
- iii. Urban citizens perceive me as rural      iv. Agricultural household registration

26. Would you like others to change your status from being rural?

- i. Yes      ii. No

If your answer is no, please also answer question 27. If your answer is yes, please go directly to question 28.

27. Why would you not like to change your perceived status of being rural?

- i. My roots are in the countryside      ii. At ease with country style      iii. It does not matter if I am rural or not
- iv. Do not like to be perceived as a city person      v. If other, please provide a description\_\_\_\_\_

28. Would you like to return to the countryside to work, to promote the enlargement of township in the countryside and to contribute to the construction of a new countryside or to continue to work in the city?

- i. Return to the countryside to work      ii. Work in the city      iii. It does not matter to me

29. How has the development, growth, expansion and industrialism of the city affected you?

- i. Better education      ii. Better health care      iii. Higher quality of life      iv. Access to better amenities
- v. Greater pollution      vi. Better life-style      vii. Better facilities
- viii. Higher income      ix. If other, please provide a description\_\_\_\_\_

30. What difficulties do you often meet when you interact with urban citizens?

- i. No difficulties      ii. Mode of thinking and concepts are different      iii. Life-style is different
- iv. Not enough chances to socialise with urban citizens      v. Urban citizens look down on us
- vi. If other, please provide a description\_\_\_\_\_

31. In their hearts, do you think urban citizens are willing to socialise with you?

i. With a great deal of pleasure    ii. Willingly    iii. Not very willingly    iv. Reluctantly

32. Do you think urban citizens are friendly?

i. Very friendly    ii. Friendly    iii. Not very friendly

33. What comments do you think urban citizens make about rural migrant workers? Please

answer all statements and for each one you can select any number from -5 to 5.

i. Low moral standards High moral standards

-5    -4    -3    -2    -1    1    2    3    4    5

ii. Intolerant Tolerant

-5    -4    -3    -2    -1    1    2    3    4    5

iii. Hostile Friendly

-5    -4    -3    -2    -1    1    2    3    4    5

iv. Unsupportive Supportive

-5    -4    -3    -2    -1    1    2    3    4    5

v. Inhospitable Welcoming

-5    -4    -3    -2    -1    1    2    3    4    5

vi. Arrogant Humble

-5    -4    -3    -2    -1    1    2    3    4    5

vii. Lazy Endure hardship and work hard

-5    -4    -3    -2    -1    1    2    3    4    5

viii. If other, please provide a description\_\_\_\_\_

34. What comments do you make about urban citizens? Please answer all statements and for each one you can select any number from -5 to 5.

i. Low moral standards High moral standards

-5    -4    -3    -2    -1    1    2    3    4    5

ii. Intolerant Tolerant

-5	-4	-3	-2	-1	1	2	3	4	5
iii. Hostile					Friendly				
-5	-4	-3	-2	-1	1	2	3	4	5
iv. Unsupportive					Supportive				
-5	-4	-3	-2	-1	1	2	3	4	5
v. Inhospitable					Welcoming				
-5	-4	-3	-2	-1	1	2	3	4	5
vi. Arrogant					Humble				
-5	-4	-3	-2	-1	1	2	3	4	5
vii. Lazy					Endure hardship and work hard				
-5	-4	-3	-2	-1	1	2	3	4	5
viii. If other, please provide a description_____									

35. Are you willing to let other people know that you are from a rural area?

- i. Yes      ii. No

36. I am constantly aware of the differences between living in the countryside and the city?

- i. Yes      ii. No

37. I often notice the differences between people from the countryside and those from cities?

- i. Yes      ii. No

38. I like to socialise with urban citizens?

- i. Yes      ii. No

39. I like to socialise with people who are from the countryside?

- i. Yes      ii. No

If your first job is not your current job, please also answer the following questions in section 3.

### Section 3

1. Your current Political Status?

- i. Communist party member      ii. Member of a democratic party      iii. Non-

member of any party

2. How did you find your current job? Please ring the appropriate number.

i. media advertisement   ii. outdoor advertising   iii. labour force

market   iv. employment agency   v. direct application

vi. Introduced by relatives and friends in the City   vii. Introduced by

acquaintances   viii. Introduced by fellow-villager who came to a city earlier

than you.   viii. If other, please provide a description\_\_\_\_\_

3. Your current position is \_\_\_\_\_

i. executive position   ii. Technical work   iii. production post

iv. rear service post?   v. If other, please provide a description\_\_\_\_\_

4. The company where you currently work is a \_\_\_\_\_

i. Party and government organisation   ii. State-owned company

iii. Private company

iv. If other, please provide a description\_\_\_\_\_

5. Which industry does your current post belong to?

i. Manufacturing   ii. Building industry   iii. Retail trade

iv. service trade   v. If other, please provide details\_\_\_\_\_

6. Does your current company offer you accommodation and food?

i. Offers both   ii. Offers neither   iii. Provides meals

iv. Only provides accommodation   v. Not free but there is a discount   vi.

Housing benefits   vii. Social insurance. Please provide a description\_\_\_\_\_

i. No professional technical title    ii. No professional title, but master of a trade    iii. Primary professional technical title    iv. Intermediate professional technical title    v. High professional technical title

i 0-1000 yuan    ii 1000-2000 yuan    iii 2000-3000 yuan    iv 3000-4000 yuan    v 4000-5000 yuan  
vi 5000-6000 yuan    vii 6000-7000 yuan    viii 7000-8000 yuan    ix above 8000 yuan

If you answer yes, please answer question 10 and 11.

i. Leader    ii. Very active    iii. Somewhat active    iv. Do not participate in decision making

If you answer no, please answer question 13.

i. Line Managers ☐

- ii. Colleagues ☐
- iii. Bosses ☐
- iv. Village fellows ☐

2. Please rank the people you meet and interact frequently in the social contact area, starting with 1 for high frequency through to 6 for low frequency.

- i. Relatives( except close family members) ☐
- ii. Friends ☐
- iii. Acquaintances ☐
- iv. Colleagues ☐
- v. Line managers ☐
- vi. Bosses ☐

3. Please rank the economic and social status of the majority of people you meet frequently, circling 0 if they are on the same level as you, circling +1 to +3 if they are on a higher economic status or social status and -1 to -3 if they are on a lower economic status or social status

Economic and social status

Highest	Higher	High	Your position	Low	Lower	Lowest
+3	+2	+1	0	-1	-2	-3

4. Please put the following groups in order. Looking back to when you first started in this career, which of the following groups did you expect to give you more assistance in your career progression, starting with 1 for most helpful to 7 for least helpful?

- i. Family members ☐
- ii. Relatives ☐
- iii. Acquaintances ☐
- iv. Friends ☐
- v. Colleagues ☐
- vi. Line managers ☐
- vii. Bosses ☐

5. Please put the following groups in order. Which group has actually helped you most up to now, starting with 1 for most helpful to 7 for least helpful?

- i. Family members ☐
- ii. Relatives ☐
- iii. Acquaintances ☐
- iv. Friends ☐
- v. Colleagues ☐
- vi. Line managers ☐

vii. Bosses

☐

6. Please put the following groups in order. Which of the following groups would be likely to give you most assistance for your future career progression, starting with 1 for most helpful to 7 for least helpful? Please put the following groups in order.

i. Family members

☐

ii. Relatives

☐

iii. Acquaintances

☐

iv. Friends

☐

v. Colleagues

☐

vi. Line managers

☐

vii. Bosses

☐

7. Please put the following groups in order. Which of the following groups do you hope will give you most assistance in your career progression, starting with 1 for most helpful to 7 for least helpful?

i. Family members

☐

ii. Relatives

☐

iii. Acquaintances

☐

iv. Friends

☐

v. Colleagues

☐

vi. Line managers

☐

vii. Bosses

☐

8. Please rank which of following cared for you most in your company, starting with 1 for most likely to 7 for least likely?

i. Relatives (not include close family members)

☐

ii. Friends

☐

iii. Acquaintances

☐

iv. Colleagues

☐

v. Line managers

☐

vi. Bosses

☐

9. Do you think the company's culture can give you assistance in your career progression? Please select any number where 0 means you think it is unimportant to 5 which means you think it is extremely important.

Unimportant

Extremely important

0

1

2

3

4

5

10. Do you think the company's systems can give you assistance in your career progression? Please select any number where 0 means you think it is unimportant to 5 which means you think it is extremely important.

Unimportant

Extremely important

0

1

2

3

4

5

11. How friendly do you find the environment at your work place?

- i. Very friendly    ii. Quite friendly    iii. Quite unfriendly    iv. Very unfriendly

12. Do you agree most people at your work place are willing to help if you need it?

- i. Strongly agree  
ii. Agree  
iii. Disagree  
iv. Strongly disagree

13. How do you rate your job satisfaction in your work place?

- i. Much too high    ii. A little too high    iii. About right    iv. A little too low    v. Much too low

14. How strongly do you think that you generally trust one another in your work place?

- i. Very strongly  
ii. Strongly  
iii. Weakly  
iv. Very weakly

15. Generally speaking, would you say that most people can be trusted, or that you

cannot be too careful in your dealings with other people?

- i. Most people can be trusted.  
ii. You cannot be too careful.

16. Do you think over the last 5 or 10 years this level of trust for one another has got better, got worse, or stayed about the same if you have been working in the same company?

- i. Better  
ii. The same  
iii. Worse

17. In general, do you agree or disagree with the following statements?



i. Agree strongly    ii. Agree    iv. Disagree    v. Disagree strongly

A. Most people

who work in the    ☐    ☐    ☐    ☐  
company can be  
trusted

B. In the company,

one has to be alert    ☐    ☐    ☐    ☐  
or someone is likely  
to take advantage of  
you.

C. Most people in the

company are willing    ☐    ☐    ☐    ☐  
to help if you need it.

D. In the company,

people generally do    ☐    ☐    ☐    ☐  
not trust each other  
in matters of lending

18. How much do you trust people with the nonagricultural hukou if you are a migrant worker?  
Migrants should answer only 19, Non migrants only 20.

i. To a very small extent    ii. To a small extent    iii. To a great extent    iv. To a very great extent

19. How much do you trust people with the agricultural hukou if you are a nonagricultural hukou resident?

i. To a very small extent    ii. To a small extent    iii. To a great extent    iv. To a very great extent

20. Are the relationships among people in your work place generally harmonious or hostile?

i. Harmonious

ii. hostile

21.How strong is the feeling of togetherness or closeness in your company?

i. Very distant

ii. distant

iii. close

iv. Very close

22.How strong is the feeling of a sense of belonging do you have in your company?

i. Very strong

ii. Strong

iii. Weak

iv. Very weak

23.In general, how happy do you consider yourself to be with the atmosphere at your work?

i. Very happy

ii. Moderately happy

iii. Moderately unhappy

iv. Very unhappy

24.How much control do you feel you have in making decisions that affect your

everyday working life?

i. No control

ii. Control over very few decisions

iii. Control over some decisions

iv. Control over most decisions

v. Control over all decisions

25.Do you feel that you have the power to make important decisions that change the course of your life?

i. Totally unable to change my life

ii. Mostly unable to change my life

iii. Mostly able to change my life

iv. Totally able to change my life

26.Do you feel that you have a strong right of speech in your working environment?

i. Very strong

ii. Strong

iii. Weak

iv. Very weak

27. Do you think that you have enough career progression available to you?

i. Yes

ii. No

第一部分

1.您的性别:

i 男..... ☐

ii 女..... ☐

2.您的年龄?

18-25..... ☐

26-29..... ☐

30-34..... ☐

35-39..... ☐

40-44..... ☐

45-49..... ☐

50-54..... ☐

55-59..... ☐

60-65..... ☐

Over 65..... ☐

3. 您的家乡位于 \_\_\_\_\_（请选择一个答案）

i 邹城市    ii 如果是另外的城镇或城市, 请注明 \_\_\_\_\_

4. 请圈出您的最高学历

i 中学    ii 高中    iii 大专    iv 大学    v 如果是其他, 请注明 \_\_\_\_\_

5. 您的户口性质（请选择一个答案）\_\_\_\_\_

i 农业 ..... ☐

ii 非农业..... ☐

6. 您的婚姻状况?

i 已婚 ..... ☐

ii 未婚..... ☐

7. 您的配偶现在生活在什么地方?

i 邹城市

ii 家乡(如果不是邹城市), 请注明 \_\_\_\_\_

8.您的配偶的职业是\_\_\_\_\_

如果您的户口是农业户口或曾经是农业户口, 请回答第二部分, 第三部分和第四部分的问题。如果您不是农村外出务工人员, 请直接回答第三部分和第四部分的问题。

## 第二部分

1.您是什么时候变成城市户口的? 请圈出适合的答案

- i 两年前      ii 三到五年前      iii 六到十年前      iv 十一到十五年前  
v 在多于 15 年之前, 请注明 \_\_\_\_\_      vi 我没有改变我的农业户口

2.您是因为什么改变您的农业户口的? \_\_\_\_\_

3. 您是第一代还是第二代来农村工作的吗?

- i 第一代      ii 第二代

4.您进入城市前在家乡从事什么工作? 请圈出适合的答案

- i 务农      ii 乡镇企业      iii 个体经营  
iv 村干部      v 学生      vi 其他, 请注明 \_\_\_\_\_

5.您进入城市前您的职称/技术级别 请圈出适合的答案

- i 无      ii 无职称, 但有一门手艺      iii 初级职称      iv 中级职称      v 高级职称

6. 您第一次到城市工作是在: \_\_\_\_\_省\_\_\_\_\_市\_\_\_\_\_县?

7. 您在城市的第一份工作岗位是? 请圈出适合的答案

- i 管理岗位      ii 技术岗位      iii 生产岗位  
iv 后勤岗位      v 自己做生意      vi 如果是其他, 请注明 \_\_\_\_\_

8. 您第一份工作单位的性质是 \_\_\_\_\_ 请圈出适合的答案

- i 党政机关      ii 国有企事业单位      iii 私有企业      iv 如果是其他, 请注明 \_\_\_\_\_

9. 您进入城市第一份工作属于哪个行业? 请圈出适合的答案

- i 制造业      ii 建筑业      iii 零售业      iv 服务业      v 如果是其他, 请注明 \_\_\_\_\_

10. 您是什么时候在城市得到您第一个工作的? 请注明 \_\_\_\_\_

11. 您是怎样第一次来城市寻找工作的呢? 请只选一个答案

- i 自己单独进城      ii 投亲靠友      iii 和老乡一起进城      iv 先进城住在城里的老乡带着  
v 如果是其他, 请注明 \_\_\_\_\_

12. 您是怎样找到您第一份工作的? 请只选一个答案

- i 媒体广告      ii 街头广告      iii 劳动力市场      iv 职业介绍中介      v 直接申请/上门求职  
vi 城里亲友介绍      vii 城里熟人介绍      viii 先进城打工的老乡介绍      ix 其他, 请注明 \_\_\_\_\_

13. 您在城市的第一次工作中工作了多久? 请注明 \_\_\_\_\_

14. 您的第一份工作的月工资是多少? 请圈出适合的答案

i 0-1000 元 ii 1000-2000 元 iii 2000-3000 元 iv 3000-4000 元 v 4000-5000 元 vi 5000-6000 元  
vii 6000-7000 元 viii 7000-8000 元 ix 8000 元以上

15. 您的第一个工作为您提供食宿和保险吗? 请圈出适合的答案

i 提供食宿 ii 不提供食宿和保险 iii 提供午餐或晚餐 iv 只提供住宿 v 不免费提供食宿  
但有折扣 vi 住房补贴 vii 社会保险, 请注明\_\_\_\_\_

16. 您是否认为当地员工对您的经济福祉和福利有帮助及能帮您获得更多的技术?

i 强烈不同意 ii 不同意 iii 既不不同意也不是同意 iv 同意 v 强烈同意

17. 如果您的答案是同意或强烈同意, 当地员工是怎样对您的经济福祉和福利有帮助

及帮您获得更多的技术的? 请注明\_\_\_\_\_

18. 以下是您为什么来城市的原因, 请回答所有的选项。您可以选择从 0 到 5 的任何一个数值, 其中 0 表示您认为是相比之下最不重要的原因, 5 表示您认为是最重要的原因。请圈出适合的答案

		不重要	重要				极其重要
xviii.	高收入	0	1	2	3	4	5
xix.	好的生活	0	1	2	3	4	5
xx.	好的福利	0	1	2	3	4	5
xxi.	好的工作	0	1	2	3	4	5
xxii.	好的环境	0	1	2	3	4	5
xxiii.	好的机会	0	1	2	3	4	5
xxiv.	务农太辛苦, 赚不了多少钱	0	1	2	3	4	5
xxv.	习惯于在城市 工作和城市生 活方式	0	1	2	3	4	5
xxvi.	在家乡没什么 事可做	0	1	2	3	4	5
xxvii.	家乡太穷	0	1	2	3	4	5
xxviii.	比起来乡村生 活,更喜欢城市生活	0	1	2	3	4	5
xxix.	因为只顾念书, 不懂农活	0	1	2	3	4	5
xiii.	挣钱供家人读书	0	1	2	3	4	5
xi v.	挣钱回去盖房	0	1	2	3	4	5
xv.	别人都外出务工了	0	1	2	3	4	5
xv.	别人认为我们应该 去城市谋求发展	0	1	2	3	4	5
xvii.其他, 请写明_____							

19. 您在多大程度上取得了来城市谋求发展的目标, 请回答所有的选项。您可以选择从 0 到 5 的任何一个数值, 其中 0 表示您没有取得此目标, 5 表示完全取得了此目标。

		没有取得此目标	取得此目标	完全取得此目标			
xvi.	高收入	0	1	2	3	4	5
xvii.	好的生活	0	1	2	3	4	5
xviii.	好的福利	0	1	2	3	4	5
xix.	好的工作	0	1	2	3	4	5
xx.	好的环境	0	1	2	3	4	5
vi.	好的机会	0	1	2	3	4	5

20. 在您回答完第 15 题和第 16 题后, 您认为在将来您能在多大程度上取得您的希望? 请回答所有的选项。您可以选择从 0 到 5 的任何一个数值, 其中, 0 表示不可能, 5 表示极其可能.

		不可能	可能	极其可能			
i.	高收入	0	1	2	3	4	5
ii.	好的生活	0	1	2	3	4	5
iii.	好的福利	0	1	2	3	4	5
iv.	好的工作	0	1	2	3	4	5
v.	好的环境	0	1	2	3	4	5
vi.	好的机会	0	1	2	3	4	5

21. 考虑到您在城市中所取得的成绩, 您现在留在城市中的主要动力是什么? 您留在城市, 因为\_\_\_\_\_请圈出适合的答案

- i 我的未来在城市。      ii 已经没有回到家乡农村的道路了。      iii 我不想回到农村了。  
iv 我愿意考虑是否回到农村发展。      v.其他, 请写明\_\_\_\_\_

22.与您在农村生活时相比, 您现在的社会地位\_\_\_\_\_

- i. 提高了很多    ii. 提高了一点    iii. 没有改变    iv.降低了一点    v.降低了很多

23. 与留在农村务农的家庭相比, 您或您家庭的经济条件\_\_\_\_\_

- i 比他们好很多    ii 比他们好一点    iii 和他们差不多    iv 比他们差一点    v 比他们差很多    vi 不知道

24.您如何定位您自己的身份?

- i 农民      ii 一半农民, 一半城市人      iii 城市人

如果您的答案是农民或一半农民,一半城市人, 请您回答第 25 和 26 题。 如果您的答案是城市人,请直接  
从第 28 题开始回答。

25.为什么您认为您自己是农民或半个农民?

- i 我的根在农村    ii 家庭成员或亲戚在住在农村    iii 城市人认为我是农村人    iv 农业户口  
v.其他, 请写明\_\_\_\_\_

26.您愿意让别人改变对您的农民身份的看法吗?      i. 愿意      ii. 不愿意

如果您的答案是不愿意, 请您回答第 27 题。如果您的答案是愿意, 请直接从第 28 题开始回答。

27.您为什么不愿意让别人改变对您的农民身份的看法?

- i 我的根在农村    ii 更加自在于乡村生活方式    iii 没有关系我是农村人还是城市人  
iv 我不喜欢被别人认为自己是城市人    v.其他, 请写明\_\_\_\_\_

28.您愿意回到农村参与农村城镇化建设还是继续愿意继续在城市工作？

i 回到农村工作                      ii 在城市工作                      iii 在城市或农村工作都行

29a. 您感觉农民工群体影响与贡献于城市的发展建设吗？

i 一点都不影响                      ii 影响一点                      iii 影响很多

29b. 城市的发展，扩张和工业化是如何影响您的？

i 较好的教育    ii 较好的健康保健    iii 高质量的生活    iv 可以使用更多的便利设施

v 污染    vi 生活方式    vii 较好的设施    viii 高收入    ix 其他，请写明\_\_\_\_\_

30.当您与城市人交往互动时有什么困难吗？

i 没困难    ii 思想观念不同    iii 生活方式不同    iv 没有足够机会与城市人交往    v 城市人看不起我们    vi 其他，请写明\_\_\_\_\_

31. 您认为，在城市人心中，他们愿意和您交往吗？

i 非常愿意                      ii 愿意                      iii 不是非常愿意                      iv 不愿意

32.您认为城市人友好吗？

i 非常友好                      ii 友好                      iii 不友好

33.您认为城市人对农民工有什么评价？请回答所有的选项，并圈出适合的数字。

i. 道德低下										道德高尚
	-5	-4	-3	-2	-1	1	2	3	4	5
ii. 偏执的										宽容的
	-5	-4	-3	-2	-1	1	2	3	4	5
iii. 有敌意的										友好的
	-5	-4	-3	-2	-1	1	2	3	4	5
iv. 不帮助别人										乐于帮助别人
	-5	-4	-3	-2	-1	1	2	3	4	5
v.有距离感										易亲近
	-5	-4	-3	-2	-1	1	2	3	4	5
vi.傲慢										谦逊
	-5	-4	-3	-2	-1	1	2	3	4	5
vii. 懒惰										吃苦耐劳



-5      -4      -3      -2      -1      1      2      3      4      5

viii. 其他, 请写明\_\_\_\_\_

34.您对城市人有什么评价? 请回答所有的选项, 并圈出适合的数字。

i. 道德低下										道德高尚
	-5	-4	-3	-2	-1	1	2	3	4	5
ii. 偏执的										宽容的
	-5	-4	-3	-2	-1	1	2	3	4	5
iii. 有敌意的										友好的
	-5	-4	-3	-2	-1	1	2	3	4	5
iv.不帮助别人										乐于帮助别人
	-5	-4	-3	-2	-1	1	2	3	4	5
v.有距离感										易亲近
	-5	-4	-3	-2	-1	1	2	3	4	5
vi.傲慢										谦逊
	-5	-4	-3	-2	-1	1	2	3	4	5
vii.懒惰										吃苦耐劳
	-5	-4	-3	-2	-1	1	2	3	4	5

viii. 其他, 请写明\_\_\_\_\_

35. 您愿意让别人知道您来自农村吗?      i 愿意      ii 不愿意

36. 我不断意识到住在乡村和住在城市中的差别?    i 是的      ii 不是

37. 我不断意识到农村人和城市人的差别?      i 是的      ii 不是

38.我喜欢和城市人交往?      i 是的      ii 不是

39.我喜欢与来自农村的人交往?      i 是的      ii 不是

如果您的第一份工作不是您目前的工作, 请您也回答第三部分的问题。

第三部分

1. 您的政治面貌是?    i 中共党员      ii 民主党派成员      iii 群众

2.您是通过什么途经找到目前的工作的呢? 请圈出适合的答案

i 媒体广告 ii 街头广告 iii 劳动力市场 iv 职业介绍中介 v 直接申请/上门求职 vi 城里亲友介绍  
vii 城里熟人介绍 viii 先进城打工的老乡介绍 ix 其他, 请注明\_\_\_\_\_

3. 您目前的工作的具体岗位是 \_\_\_\_\_

i 管理岗位 ii 技术岗位 iii 生产岗位 iv 后勤岗位 v 自己做生意 vi 其他,请注明\_\_\_\_\_

4. 您目前工作单位的性质是 \_\_\_\_\_

i 党政机关 ii 国有企事业单位 iii 私有企业 iii 其他,请注明\_\_\_\_\_

5. 您目前工作单位属于哪个行业?

i 制造业 ii 建筑业 iii 零售业 iv 服务业 v 其他, 请注明 \_\_\_\_\_

6. 您目前的工作为您提供食宿和保险吗?

i 提供食宿 ii 不提供食宿和保险 iii 提供午餐或晚餐 iv 只提供住宿 v 不免费提供食宿但有折扣 vi 住房补贴 vii 社会保险, 请注明\_\_\_\_\_

7. 您的职称/技术级别是

i 无 ii 无职称, 但有一门手艺 iii 初级职称 iv 中级职称 v 高级职称

8. 您的月工资是 \_\_\_\_\_

i 0-1000 元 ii 1000-2000 元 iii 2000-3000 元 iv 3000-4000 元 v 4000-5000 元 vi 5000-6000 元  
vii 6000-7000 元 viii 7000-8000 元 ix 8000 元以上

9. 您参加社区组织吗比如工会或体育运动活动组? i 参加, 请注明\_\_\_\_\_ ii. 没有参加

如果您的回答是参加, 请您回答第 10 和第 11 个问题。

10. 通过参加这个组织, 您的受益是什么? 请注明\_\_\_\_\_

11. 您参加社区组织的决策制定的积极度怎么样?

i 指挥者 ii 非常积极 iii 有些积极 iv 不参加决策制定

12. 在工作单位您不能加入社会保险吗? i 能加入 ii 不能加入

如果您的答案是不能加入, 请回答第 13 个问题。

13. 您有哪种社会保险? 请注明\_\_\_\_\_

#### 第四部分

1. 请为以下您在工作单位中交往的组排序, 1 表示您在工作单位中交往最多的组, 4 表示您在工作单位中交往最少的组。

i 生产线管理人员	<input type="checkbox"/>
ii 同事	<input type="checkbox"/>
iii 老板及经理	<input type="checkbox"/>
iv 同乡	<input type="checkbox"/>

2. 请您在社会接触的组的相遇和互动交往的频繁度排序，1 表示您社会接触的高频率相遇的组，6 表示您社会接触的低频率相遇的组。

- |                  |                          |
|------------------|--------------------------|
| i 亲戚( 不包括亲密家庭成员) | <input type="checkbox"/> |
| ii 朋友            | <input type="checkbox"/> |
| iii 熟人           | <input type="checkbox"/> |
| iv 同事            | <input type="checkbox"/> |
| v 生产线管理人员        | <input type="checkbox"/> |
| vi 老板和经理         | <input type="checkbox"/> |

3.请您为您经常遇到及交往的人的经济和社会地位打分。0 表示和您有同等经济和社会地位，1 到 3 表示比您经济和社会地位高，-1 到-3 表示比您经济和社会地位低。请圈出适合的数字。

经济和社会地位

比您高很多	比您高	比您高一点	和您有同等经济和社会地位	比您低一点	比您低	比您低很多
+3	+2	+1	0	-1	-2	-3

4. 请为以下的组排序。回顾您刚开始您的职业生涯时，哪一组是您当时期待会给您职业发展帮助的人？1 表示您当时期待给您职业发展最有帮助的一组，7 表示您当时认为对您职业发展最没帮助的一组。

- |                  |                          |
|------------------|--------------------------|
| i 家庭成员           | <input type="checkbox"/> |
| ii 亲戚(不包括亲密家庭成员) | <input type="checkbox"/> |
| iii 熟人           | <input type="checkbox"/> |
| iv 朋友            | <input type="checkbox"/> |
| v 同事             | <input type="checkbox"/> |
| vi 生产线管理人员       | <input type="checkbox"/> |
| vii 老板和经理        | <input type="checkbox"/> |

5. 请为以下组排序。哪一组是至今为止事实上为您提供能让您职业发展中更加进步的资源及帮助的人。1 表示最有帮助的组，7 表示最没帮助的组。

- |                  |                          |
|------------------|--------------------------|
| i 家庭成员           | <input type="checkbox"/> |
| ii 亲戚(不包括亲密家庭成员) | <input type="checkbox"/> |
| iii 熟人           | <input type="checkbox"/> |
| iv 朋友            | <input type="checkbox"/> |
| v 同事             | <input type="checkbox"/> |
| vi 生产线管理人员       | <input type="checkbox"/> |
| vii 老板和经理        | <input type="checkbox"/> |

- i 家庭成员 ☐
- ii 亲戚(不包括亲密家庭成员) ☐
- iii 熟人 ☐
- iv 朋友 ☐
- v 同事 ☐
- vi 生产线管理人员 ☐
- vii 老板和经理 ☐

- i 家庭成员 ☐
- ii 亲戚(不包括亲密家庭成员) ☐
- iii 熟人 ☐
- iv 朋友 ☐
- v 同事 ☐
- vi 生产线管理人员 ☐
- vii 老板和经理 ☐

- i 亲戚( 不包括亲密家庭成员) ☐
- ii 朋友 ☐
- iii 熟人 ☐
- iv 同事 ☐
- v 生产线管理人员 ☐
- vi 老板和经理 ☐

10. 您认为公司体系及制度能为您的职业发展提供帮助吗？请选择从 0 到 5 的任何一个数字，0 表示公司体系及制度不重要，5 表示极其重要。

不重要 0 1 2 3 4 5 极其重要

11. 您的工作氛围友好吗?

i.非常友好 ii 很友好 iii 既非友好也非不友好 iv 很不友好 v 非常不友好

12.您是否同意这个说法“在您工作的地方如果您需要帮助，大部分的人愿意帮助您”?

i 强烈同意 ii 同意 iii 不同意 iv 强烈不同意

13.您对您工作的满意度如何?

i 非常高 ii 有点高 iii 合适 iv 有点低 v. 非常低

14.您认为在工作中你们之间信任的信任度如何?

i 非常强烈 ii 有些强烈 iii 有些弱 iv 非常弱

15.一般来讲，您会说在您的工作中大部分人能够被信任吗或者您要小心处理人际关系?

i.大部分人能够被信任. ii.您要小心处理人际关系.

16.如果您一直在一个公司工作，您认为在过去的 5 到 10 年中，你们互相信任的水平是变好，变坏还是保持一致?

i 变好 ii 一致 iii 变坏

17.一般来讲，您同意还是不同意以下陈述?

i 非常同意 ii 有些同意 iv 有些不同意 v.强烈不同意

A. 大部分在 工作单位工作的人 能够被信任	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B. 在工作单位， 您不得不警惕， 怕有人可能利用您	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C. 如果您需要， 工作单位的大 部分人愿意帮助您	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D. 在工作单位， 在借钱方面人们是 可以普遍互相信任的	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

18. 如果您是农村外出务工员工，您信任当地城镇户口员工吗?

i 信任度非常小 ii 信任度小 iii 信任度大 iv 信任度非常大

19.如果您是农业户口的城镇居民，您信任农村外出务工员工吗?

i 信任度非常小 ii 信任度小 iii 信任度大 iv 信任度非常大

20.在您工作地方的人际关系是和谐的还是不愉快的?

i 和谐的 ii 不愉快的

21.您感觉您工作单位的凝聚力强吗？

i 凝聚力很弱      ii 凝聚力有些弱      iii 凝聚力有些强      iv 凝聚力非常强

22.在您工作单位里您有很强的归宿感吗？

i 非常强      ii 有些强      iii 有些弱      iv 非常弱

23.一般来讲，在您的工作氛围中，您感到愉快吗？

i 非常愉快      ii 很愉快      iii 很不愉快      iv 非常不愉快

24.您感觉您可以做出影响您每天自己工作的决定的掌控度如何？

i 没有掌控      ii 控制非常少的决定      iii 控制一些决定      iv 控制大部分的决定      v 控制所有决定

25.您感觉您有力量做出影响您生活的重要决定吗？

i 完全不能改变您的生活      ii 基本上不能改变您的生活

iii 基本上能改变您的生活      iv 完全能改变您的生活

26.在您的工作环境中您认为您有强的发言权吗？

i 非常强      ii 很强      iii 有一些弱      iv 非常弱

27. 您认为您的工作有足够的提升空间吗？

i 有      ii 没有

## Appendix IV

**The transcription from interviews concerning drivers for urbanisation including the process of content analysis from the interviews**

## Appendix IV

The transcription and content analysis from interviews concerning drivers for urbanisation

### Part 1

Interviewees:

Mrs W, with an education attainment of senior high school, who is a rural migrant and works in a private company

Mr L, who is a rural migrant worker and has an educational attainment of senior high school

Mr X, who is a rural migrant and a graduate

M/s D, who is a rural migrant and has an educational attainment of senior high school

The transcription of the interviews:

Mrs W said: "In the past few years, some new buildings have sprung up in the village where I lived. In the past, we all tried mighty hard to earn money to buy flat in cities. This was our dream. Now the dream comes true. This is because we want to have a life as the same as urban citizens have. The company where we work is in a city suburb, so we can live in the village and work in the city. However, in our village, except for a high-rise apartment building we can live in, rural infrastructure construction cannot compete with a city's infrastructure construction."

Mr L said: "There are only some residential buildings in our village. This is the only character that is similar to cities. We moved from cottages / houses to these buildings. We have not had other facilities as good as cities have. Villagers cannot fully enjoy a city's resources." "Do you like to live in the city?" was the next question. Mr L added, "In order to enable my child to get a good education, I took my child to a good school in the city as quickly as I could. This is because I know standards of teaching in the countryside are low. Therefore, I want to move to the city."



The researcher also asked another question about motivation of rural migrant workers moving to urban communities.

Rural migrant-Mr X, who is a graduate, said, “There is a good opportunity to career growth and the promotion in cities.”

Ms D, who has an educational attainment of senior high school, said: “There is the hope for a better life and a good job in the city. This is the driver motivating me to migrant to the city.”

Content analysis of the interviews:

First of all, the researcher analysed the transcripts of interviews for tentative concepts/significant implications. From this transcript the researcher came up with five main groups of ideas:

1. “In the past, we all tried mightily hard to earn money to buy flat in cities. This was our dream. Now the dream comes true. This is because we want to have a life as the same as urban citizens have.”
2. “Rural infrastructure construction cannot compete with city infrastructure construction.”
3. “We have not had other facilities as good as cities have.”
4. “Standards of teaching in the countryside are low. Therefore, I want to move to the city.”
5. “There is a good opportunity to career growth and the promotion in cities.”
6. “There is a hope for a better life and a good job in the city.”

Secondly, the researcher grouped together these ideas into two key themes. As with the higher levels of coding, the important factor about substantive and theoretical memos/information is that it has a conceptual content, which does not simply describe the data. It assists the analyst to move from the descriptive and empirical to a conceptual level. A conceptual approach, therefore, is especially important in induction, since it moves the analysis towards developing propositions. (Glaser 1978: 83 *cited by* Punch 2009). The recording and coding of ideas, as they happen is essential. When an idea occurs during coding, it is necessary to stop the coding and record the idea. Using this technique, the researcher identified two themes from

the text as follows: Theme 1: “There are better facilities in cities.”; Theme 2: “Job opportunities and career prospects in the cities far out-weighed those in their rural communities.”

Comparing concepts and their properties at a first level of abstraction enables researchers to identify more abstract concepts. The systematic and constant making of comparisons is therefore essential to conceptual development at all levels in the analysis of qualitative data. (Punch 2009). Finally, the researcher built an overarching theme to integrate these themes together by comparing these themes. This overarching theme is “Rural migrant workers long for city life.”

## Part 2

Interviewee:

One deputy general manager in the SOE D

The transcription of the interview:

“In China, some villages are dispersed. There are big villages and small villages. Some villages have about one hundred of families and some have about three hundreds families. They are dispersed very much. These dispersed villages take up a big area. Their living conditions are not good. Because villages were dispersed, basic infrastructures was not good. If there were only thirty people in one village, how do roads get repaired for them? There was no money. Basic infrastructure that include medical services, education and public facility construction cannot be done either because there were not enough people in one village and the cost would be higher. There were not enough people in one village. This also caused a waste of land. Urbanisation can combine several villages. For example, peasants in one village live rather far apart from one another. Before these villages occupied 70 hectares and after combination these villages only occupied less than 2.1 hectares. Villagers live in buildings. This way could save land resources. Before, every family had a big garden; and now three or four storey flats have been built in some villages. This occupied less land and the utilization rate of land was raised. Land resources

were saved. Urbanisation is not to build big cities. Through bringing together people, efforts can be concentrated on building communities. More public facilities can be built because there are more people in one village. They can build public clubs and small hospitals. They can enjoy more basic infrastructure and the cost of construction is lower and the living costs are also comparatively lower. Further, after improving living conditions, the utilization rate of resources is improved. This way is the necessary road for urbanisation in China. Urbanisation is an inevitable trend of human society.”

“If every village had a production information assistant, the information assistants could keep count of what peasants in their villages grew and how much was grown and the results reported to the county. On the same day, the information would be published. The setting up of a network, installation of computers and automatic information collection systems could help provide peasants with effective information. That way would let peasants know how many carrots had been grown in their local area so they could plan next year’s production.”

Content analysis of the interview:

From this transcript, the researcher came up with five ideas/codes.

1. “Because villages were dispersed, basic infrastructure was not good.”
2. “Villagers live in flats. This way could save land resources.”
3. “Three or four storied flats have been built in some villages. This occupied less land and the utilization rate of land was raised.”
4. “Through bringing together people, efforts could be concentrated on building communities. More public facilities could be built.”
5. “Installation of computers and automatic information collection system in villages could help provide peasants with effective information.”

Secondly, in order to move from the descriptive coding to the conceptual level of coding, the researcher grouped together these ideas into themes by comparing these ideas/codes. The five pieces of information were grouped into a theme: In

order to increase the utilization rate of land and resources, peasants should move into high-rise buildings.

From this, it could be seen that urbanisation could raise the utilization rate of land and resources. Efforts could be concentrated on building communities and public facilities through urbanisation. Urbanisation is necessary. It is good to continue the spirit of developing public facilities in rural areas.

In summary:

Drivers for urbanisation:

1. People in rural areas long for urban life.
2. Their experience of the rural infrastructure indicated that it was inferior compared with that found in the city.
3. In comparative terms, they found that job opportunities and career prospects in cities far out-weighed those in the rural communities.
4. Educational opportunities at primary and secondary levels in the cities could not be matched by those in their home territories.

These links in with research objective 1 (See chapter 1, page 25)

## Appendix V

### **The transcription of the interview about rural migrants' difficulties brought about by urbanisation**

## Appendix V

The transcription of the interview concerning rural migrants' difficulties brought about by urbanisation

Interviewees:

Mrs B, with educational attainment of senior high school, who is rural migrant worker and has already raised a family in the city

Ms C, with educational attainment of junior school, who is a self-employed rural migrant worker

Ms L with educational attainment of junior school, who is a rural migrant worker

Ms W, who is a rural migrant worker

Mr L, who is a rural migrant worker and lives in a village within Zoucheng city

Mr Z, who is a farmer in Zoucheng city

Mrs B with educational attainment of senior high school, who is rural migrant worker, has already raised a family in the city, said: I feel I still lag behind others in many respects. I have not had many years of formal schooling education. I feel inferior to others in the city. We do routine work in the company. We are not as skilled as others. I think urban citizens are relatively well educated. I often make friends with people who are also from rural areas. This is because we have something in common. I work hard. Since I was a child, I have known how to help my parents. When my parents went to work on the farm, I helped my parents cook and clean up the house. “

The researcher asked Mrs B: “Do you think urban citizens are friendly to you?” She said: “Some urban citizens are friendly.”

The researcher added: “Do you think you are urban citizen now?” She said: “I do not think other people think I am urban citizen. I feel they do not want to make friends with me. I was a villager and I think my root is in the rural area.”

Ms C with education attainment of junior school, who is a self-employed rural migrant worker, said, ‘Our village is a village within the city. Our land has already been taken

over for other use. Without land, how would we live? The government gave us compensatory money for confiscated land and allocated free flats for us. We received 30,000 yuan every 0.07 hectare. However, when I had the land and vegetable greenhouse, I could earn tens of thousands yuan every year. Farming is a farmer's job. If you ask ten people, nine people will say that if they want their work to be arranged for them after their land to be taken over. For peasants of around 40 or 50, without land, how will we compete with urban citizens?'

The researcher then asked, 'Do you have many urban friends?' She said, 'My good friends are mainly my village fellows.'

Ms L with education attainment of junior school, who is a rural migrant worker, also said, 'We donot have a higher educational attainment. Urban citizens have good educational attainment. Their wage is certainly higher. The overhead costs are expensive in the city. How can we achieve better development for our lives?'

Ms W said, 'Our village is the village within the city. When we had land and a house, we could rent the house to other people as our village is near the city. We could get a regular income every month. Now our land –including the house site has been taken over for use. The government gave us compensation and free flats. However, we cannot get a regular income.'

Mr L, who is a rural migrant worker, and lives in a village within Zoucheng city said, 'Everyone had 0.92\*0.07 hectare of farming land in our village before. Our production brigade in our village took over farming land for use. For example, this land is used for building a flour factory or other small or medium sized enterprises. Peasants share profits according to numbers sharing profits according to family population size every year. Everyone can get one or two thousands yuan every year. Young people in our village have already gone to cities to work. Old people stay in our village. If the life of some people in our village is very difficult, our production brigade gave them minimum living fees. Every month they can get 200 or 300 yuan. We do not have farming land so we have to buy rice, flour and oil on our own. Some other production brigades have land and peasants grow vegetables and sell

vegetables. As our house site will be taken over soon, I will move to a building but I do not want to move to the building to live. Once we move to the building, we need to pay management for infrastructure fees and water and electricity fees. It will be hard for me to pay this in virtue of what I earn every month. I think I will sell my flat to make provision for my old age and move to low-rent housing. This is good for me because I only need to pay 200-300 yuan every month.

Mr Z, who is a farmer, said, 'There is a high cost of living in cities. If my child goes to university in the future, his rural hukou will be cancelled, and he will face the high price of real estate and the high cost of living in cities. It is hard for an ordinary rural family to afford the high cost of living in cities.'

### The content analysis of the interviews

From this transcript the researcher came up with six ideas/codes:

1. "Rural migrant workers with lower educational attainment felt they lagged behind others and inferior to others in many respects in cities."
2. "Rural migrant workers with lower educational attainment liked to make friends with other people also from rural areas. They felt they could compete with urban citizens."
3. "Peasants think they do not have a higher educational attainment."
- 4 "Urban citizens have good educational attainment. Peasants feel that they are unable to achieve better life-development in the cities and cannot compete with urban citizens."
5. "Peasants want their work to be arranged for them after their land to be taken over. It will be hard for peasants to pay management for infrastructure fees and water and electricity fees once they move to buildings after their land had been requisitioned for urbanisation."
6. "It is hard for an ordinary rural family to afford the high cost of living in cities."

Then the researcher integrated data by using higher-order codes. The higher inference conceptual codes are: "Many peasants who had been compensated for their land which had been acquired for urbanisation found it hard to restart their careers in cities. They found this transition difficult"; "Rural migrant workers in the city with lower educational attainment feel they lagged behind urban workers in many respects."



## Appendix VI

**The interview transcript of the vice-general manager and office director of private company C in Shandong Province and content analysis of the interviewee's interview transcripts**

## Appendix VI

The interview transcript of the vice-general manager and office director of private company C in Shandong Province.

Interviewee:

The vice-general manager and office director of this company-Mr Z

1. Question: “Why does your company employ migrant rural workers?”

Answer: “Before answering this question, I would like to briefly introduce what kind of company we are. It is a private company that has been transformed from a state-owned enterprise. The reflection of lower production costs is from the lower labour costs because lower production costs can make products become more competitive. The employment system of private companies is more flexible than in state-owned companies. There are a few reasons why our company recruits rural workers as follows:

(1) As a current private company, it is hard to recruit a large number of excellent technical workers as most of them choose to work in state-owned companies after graduation. On the contrary, it is easy to hire rural workers with lower educational attainment.

(2) Rural workers’ pay is relatively low. Correspondingly, corporate labour costs will be lower and then products’ prices become more competitive.

(3) Rural workers are more diligent and very guileless. Comparatively, they are more compliant with company rules and are more manageable.

(4) The company is located in the urban and rural connecting areas and near countryside and the company can solve employment issues for rural surplus labour. This is also promoted by the local government.”

2. Questions: “In what other ways do you think these workers contribute towards your business activities?”

Answer: “(1) Rural migrant workers are diligent, hardworking and willing to accept

overtime work. Rural workers' completion of a particular task (production task) especially an urgent task is more guaranteed.

(2) Many rural workers' home is close to the company. This reduces the burden of accommodation arrangements for the company.

(3) Compared with urban workers, rural migrant workers do not have employees' pension insurance as the pension scheme they join is a new type of rural social pension insurance. Fees are paid by them in rural areas. This partially reduces the burden of the company."

3. Question: "What help do migrant workers get from working in the company that contributes to their urban communities?"

Answer: "(1) In addition to the routine safety education training, the company will increase input in professional knowledge training and education to help them make up for their lack of knowledge and enhance their self-quality as soon as possible.

(2) The company decentralises arrangements for rural workers so that they can shadow the urban experienced workers to learn the necessary skills and habits and become skilled workers as soon as possible, adapting to urban life and rhythms.

(3) The company may organize more sports and entertainment activities and allow them to participate in these activities, again helping them into town society as soon as possible."

4. Questions: "Do these rural migrant workers contribute towards the urban community they have become part of?"

Answer: "(1) In the current situation, dirty jobs and heavy work in towns are generally undertaken by rural workers, these include high building construction work urban sanitary work, hourly work etc. They made great contributions to the construction and development of cities and cities' operations and maintenance.

(2) Towns need a vegetable and fruit supply, a transport trade and sales. Rural workers are responsible for most of these. In a way, the livelihood of urban residents is ensured by rural workers."

5. Questions: "Do you think your company's system helps all migrant workers be included into urban communities?"

Answer: “Yes our company’s system can help all rural workers be included in to urban communities. This system lets them learn basic skills in a relatively short period (usually six months to a year) and gradually become integrated into urban life.”

6. Question: “How do you think rural migrant workers can be better included in the urban community?”

Answer: “I think that, rural migrant workers should:

(1) Strengthen study and relearn. It is not necessary to study everything but they must learn the knowledge their job requires.

(2) Gradually practice and if necessary go to attend training in a technical or professional school or go to pass an entrance test for a work licence or work for a special type of labour in a specialized department. This can give rural workers one skill that they are good at. People who have a skill, have a part everywhere. If they can become versatile and good at many things, this will be even better. Thus, it is good for them to have a job in cities.

(3) Develop their strong points, avoid their weaknesses and develop their potential. Align their work with their skills. Rural migrant workers also should ceaselessly learn in the course of work. It is through learning that individuals can gain useful talents.”

7. Question: “Is it easy to manage rural migrant workers in the company compared with the management of urban citizens?”

Answer: “It is easier to manage rural migrant workers in the company compared with the management of urban workers because:

(1) Rural workers are kind and simple-hearted and observe disciplines and obey laws.

(2) They work hard and have a tough spirit.

(3) Their previous income was relatively low so they are easily contented.”

8. Question: “Who do you think can give rural migrant workers the most care and help in the company?”

Answer: “Individuals and the company or departments can all give them care and

help in the company. If I need to say who gives them the most help, I think that will be the company itself or departments. Company or departments represent the organisation. Organisations can cultivate them, caring for them. For example, the government has launched "public rental housing" now. The rent is equivalent to one-third of the market price. Public houses are rented by the company collective and then the company sublets them to rural migrant workers to solve their temporary living problems."

9.Question: "In your opinion what is the best way migrant workers can develop their career?"

Answer: "See the reference to question 6. I believe that to give them what they need is the biggest help for them."

10.Question: "What comments do you make about migrant workers?"

Answer: "Rural workers are an integral part of social productive forces and contribute to the development of town construction and social productive forces. They have made great contributions and put a lot of their energy and stamina into what they do. Without these rural workers, some companies will miss part of their labour force and urban construction will be missing part of their builders and the city's public utilities will halt. If so, the city would not work properly. Their role is important for towns and even for the overall economic development of the town.

At present, there exist some issues that are not fair or good for rural migrant workers. For instance, their remuneration (including benefits) is relatively low; social pension insurance is inconsistent or inadequate (now they join new rural old-age insurance but the payment and guaranteed amounts are much lower than urban workers' insurance); their housing and transportation are not convenient and so on. I believe that with the accelerating pace of urbanisation reform of the country's new rural construction, these issues will be resolved in the near future."

### **Content analysis of the interviewee's interview transcript**

From the transcript of the interview, the researcher came up with several tentative concepts on each topic.

Reasons to recruit rural migrant workers:

1. "It is easy to hire rural migrant workers with lower educational attainment."
2. "Most of excellent technical workers choose to work in state-owned companies after graduation."
3. "Rural migrant workers' pay is relatively low."
4. "This can help solve the employment issues for rural surplus labour."

The ways for rural workers to contribute towards business activities:

1. "Diligent and hard working"
2. "Reduce the burden of the company as the pension scheme they join is a new type of rural social pension insurance. Fees are paid to them in rural areas."

The methods for promoting the inclusion of rural migrant workers within urban communities:

1. "Company rents public house for rural migrant workers to solve their temporary living problems."
2. "Company system can let rural migrant workers with lower educational attainments learn the basic skills in a relatively short period."
3. "The company will increase input in professional knowledge training and education to help them make up for their lack of knowledge and they will improve in all respects."
4. "The company may organize sports and entertainment activities to help them to the town society as soon as possible."
5. "Strengthen study and relearn."
6. "Attending training in a technical or professional school or go to pass an entrance test for a work licence."

Is it easy to manage rural migrant workers?

1. "Simple-hearted"
2. "Work hard"
3. "Easy to feel contented"

Comments:

1. "Their remuneration (including benefits) is relatively low."
2. "Their social pension insurance is inconsistent or inadequate."

Secondly, the researcher grouped together these concepts into themes:

Reasons to recruit rural migrant workers:

1. “Easy to hire”
2. “Low pay”

The ways for workers to contribute towards business activities:

1. “Hard working”
2. “Reduce the burden of the company”

The methods for promoting the inclusion of rural migrant workers within urban communities:

1. “Company rents out low cost housing for rural migrant workers.”
2. “It also may organise recreation facilities such as sports and entertainment activities.”
3. “Efforts to strengthen technical support for them.”

Is it easy to manage rural migrant workers?

1. “Simple-hearted”
2. “Work hard”
3. “Easy to be contented”

Comments:

“The social welfare for rural migrant workers with lower educational attainment is relatively low.”

This content analysis afforded a clue for more analysis of the interview transcript and laid a good basis for the further study on the interviewee’s discourse expression.

## Appendix VII

**The transcription of the interview with the deputy general manager in private company C in Shandong Province and content analysis of the interviewee's interview transcripts**



## Appendix VII

The transcription of the interview with the deputy general manager in private company C in Shandong Province.

Interviewee:

The deputy general manager in private company C in Shandong Province

He claimed: “If one private enterprise is a labour-intensive company, the company’s requirements for employees’ academic credentials will not be high. As long as rural migrant workers are well enough and comply with the company’s labour standard, they can be employed. However, employment requirements of some companies such as coal companies are decided by job categories. If candidates can meet the companies’ requirement in the evaluation of the employment unit in a certain amount of time after pre-assessment and professional skills training, they can be employed. Generally, certain qualification certificates, gained through relevant training and a labour agreement, were required to become employees. Companies purchase three to five types of insurances for employees. Three kinds of insurances include medical insurance, endowment insurance and accident insurance. Five insurances include medical insurance, endowment insurance, accident insurance, unemployment insurance and maternity insurance. Large state-owned enterprises or large formal companies are usually good and purchase insurances for their employees. There is a relatively standard administration conducted by the large state-owned company or large formal companies. Nevertheless, some private companies choose not to take it comprehensively.”

The deputy general manager also said, ‘Once people are formally hired by a state owned company, their personal rights are assured and it is easier for them to be integrated into the company. On the other hand, as far as rural migrant workers who work in private companies are concerned, if they have professional qualifications, work hard, master the technical performance and constantly improve their professional skill, they will receive the company managers’ attention and cultivation. Outstanding rural migrant workers (with lower educational attainment) have the

opportunity to be promoted to managers and participate in management decisions. For example, YT is from a rural area but he stands out in his work so he is in charge of managing one of the workshops in private company C in Shandong Province. Finalists, after the expiry of their work contracts, proceed to renew this, or exchange it for a long-term employment contract with a chance to be promoted to a higher position in the company and become leaders of workers. The company can renew the work contract for rural migrant workers with excellent job performance or handle a long-term employment contract for them. They have the chance to be promoted and have a more elevated position in the company, becoming the best they can achieve for a rural migrant worker. On the contrary, this does not often happen in state owned enterprises. In senior management posts of state owned enterprises, there are few rural migrant workers (with lower educational attainment). This is because of the nature of the enterprise.' The barrier in state-owned enterprises is high.

### **The analysis of the interview with the deputy general manager in private company C in Shandong Province.**

The insight of a deputy general manager, who has both experience of working in a state-owned company and working in private companies like this one suggests that most companies recruit employees according to their own businesses' professional requirements; thus, they have different requirements for employees' academic credentials.

The researcher analysed the transcript of the interview for possible concepts. From this transcript the researcher came up with three ideas/codes:

1. Large state-owned companies or large formal companies are usually good and purchase insurance for their employees. There is a relatively standard administration conducted by them.
2. Outstanding rural migrant workers (with lower educational attainment) have the opportunity to be promoted to managers and participate in management decisions in the private companies.
3. In senior management posts of state owned enterprises, there are few rural migrant workers (with lower educational attainment). The barrier for entry in to state-owned companies is high.

The researcher summarised that the administration of state-owned companies is comparatively formal. State-owned companies pay a fairly comprehensive insurance for their employees. However, the barrier in state-owned companies is high. In senior management posts of state owned enterprises, there are few rural migrant workers (with lower educational attainment). On the contrary, outstanding rural migrant workers (with lower educational attainment) have the opportunity to be promoted to management and participate in management decisions in the private companies.

This also explains the reason why most of the excellent technical workers choose to work in state-owned companies after graduation. The deputy general manager's account of events corresponds with the office director accounts of the situation of rural migrant workers. Mr Z said: "rural migrant workers do not have employees' pension insurance as the pension scheme they join is a new type of rural social pension insurance. Fees are paid by them in rural areas. This partially reduces the burden on the company." It can be seen that cost is a key factor to hire rural workers in private companies.

Under structuralism, language was seen as a key process in the creation and communication of meaning. It was viewed as a self-referential system: all perceptions and understandings were seen as being framed by words. Meaning lay within the text, a coherent and unified structure derived from pattern and order, and analysis simply involved uncovering these patterns and order, and analysis simply involved uncovering these patterns and ascertaining their meaning through the particular order in which they have been constructed (Grbich 2007). According to structuralism, the spoken or written words (the signifier) attribute meaning to objects, concepts and ideas (the signified –the mental picture produced by signifier) in the construction of reality. Meaning is seen as being structured through binary opposites (Ferdinand de Saussure 1983 *cited* by Grbich 2007). This part of the text and the deputy general manager's statement that surrounds private companies and state-owned companies structured the meaning. For example, he said: "rural migrant workers have the chance to be promoted and have more elevated positions in private companies, becoming the best rural migrant workers they can be; on the contrary, this does not often happen in state owned enterprises. In senior management posts of state owned enterprises, there are few rural migrant workers

with lower educational attainment. This is caused by the nature of the enterprise.” Through the comparison between the SOE and private companies, as far as the occupational planning of rural migrant workers with lower educational attainment is concerned, the barrier of state-owned enterprises is therefore seen to be comparatively higher for them. This has also been corroborated by interviewing some managers and staff in the SOE.

## Appendix VIII

### **The transcription of interview with Mr H of the SOE D and analysis of the interviewee's interview transcript**

## Appendix VIII

The transcription of interview with Mr H of one company in the SOE D.

Interviewee:

Mr H, who is a manager of the industrial company in the SOE D

1. “Why does your company employ migrant rural workers?”
2. “In what other ways do you think these workers contribute towards your business activities?”

“Because of the effect of the original planned economy in China, the wages of regular staff under ownership by the whole people is comparatively stable. Employees on active duty receive payment according to their post and occupational skills. This permanent job security caused some of the regular staff under ownership by the people has caused a lack of commitment, and some of them lack responsibility. Some individual staff’s work efficiency is not high. Business executives are not satisfied with employees who are not working to their full potential.

When the company recruits people for the post with characteristics of intensive labour, they take measures to recruit contract-system workers to raise working efficiency. It is easy to manage contract workers and the labour cost is relatively low. They normally perform manual labour or semi manual labour and low technology jobs, which can contribute to the company. Accordingly, the company has to recruit people who are not their staff’s offspring, when they recruit rural migrant workers to work in the company. Then the company signs a short-term work contract for them. The expiration of this contract will cause the automatic dissolution of the contract. If these employed rural migrant workers’ skills are good, their contract can be renewed. If some rural migrant workers’ job performances are good and they have a good knowledge of working skills and have management experience, they can be promoted to be frontline managers among migrant workers. Examples of first-line managers include the supervisor of a work team in the manufacturing department of a plant. They can assist enterprise managers during work. Rural migrant workers are

moved on occasion. This activates the labour system and increases the enterprise's economic benefit. Furthermore, there is surplus manpower in rural areas so it is easy to find them. When they do jobs with low technological content and physical work, they can contribute to the enterprise.”

3. “What help do migrant workers get from working in the company that contributes to their urban communities?”

“We follow the principle of equal pay for equal work, giving rural workers the same treatment as other regular staff under ownership by the whole people.”

4. “Do these rural migrant workers contribute towards the urban community they have become part of?”

5. “Do you think your company's system helps all migrant workers to be included into urban communities?”

“Because the company follows the principle of equal pay for equal work, a pension insurance system, medical insurance, insurance against suspension of work and work related insurance have taken shape for them. Thus, they have better job security.”

6. “How do you think rural migrant workers can be better included in the urban community?”

“They need to learn more practical technologies and skills.”

7. “Is it easy to manage rural migrant workers in the company compared with the management of urban citizens?”

“I think they are the same.”

8. “Who do you think can give rural migrant workers the most care and help in the company?”

“Party organizations and trade unions can give rural migrant workers the most care and help in the company. State-owned company party organisations participate in policies' decision-making. The party organization actively integrates and coordinates the interest relationship between the company and staff, playing an active role in developing and stabilizing the company. The party organisation can effectively solve difficulties of staff, building a healthy and harmonious atmosphere. Trade unions play

a role of bridges and bonds linking the organisation and staff.”

9. “In your opinion what is the best way a migrant worker can develop their career?”

“(1) Put a person in a position which he is fit for

(2) Professional training”

10. “What comments do you make about migrant workers?”

“Rural workers’ education level is not high and technical level is relatively low too. They should learn more professional skills.”

## **Content Analysis**

From the transcript of the interview, the researcher came up with several possible concepts for each topic.

Reasons to recruit rural migrant workers:

1. “Some of regular staff under ownership by the people / regular staff who work for the people of China, are not fully committed to their work.”
2. “Rural migrant workers normally perform manual labour or semi-manual labour and low technology jobs.”
3. “There is surplus manpower in rural areas so it is easy to find them.”

The ways in which rural workers contribute towards business activities:

1. “Raise working efficiency.”
2. “Rural migrant workers are moved around. This activates the labour system and increases the enterprise’s economic benefit.”

The methods for promoting the inclusion of rural migrant workers within urban communities:

1. “Equal pay for equal work.”
2. “They need to learn more practical technologies and skills.”
3. “Party organizations and trade unions can give rural migrant workers the most care and help in the company.”

Comments for rural migrant workers:

“Need professional training.”

Through interviews, the researcher also knows that many rural migrant workers whose educational attainment are low were engaged in the company’s outsourcing



business but they were not employees of the state-owned company and they were employed by some construction contractors/private companies. The state-owned enterprise gave these contractors money and then contractors paid their workers. This is similar to what the researcher found from the interviews, which was that the barrier for entry into private companies is low; private companies' employment system is flexible and they recruit all kinds of talented people.

It was as Mr H said: "rural workers normally perform manual labour or semi-manual labour and low technology jobs, which can contribute to the company. Rural migrant workers are relocated. This activates the labour system and increases the enterprise's economic benefit." However, when the researcher interviewed a member of staff in the electrolytic alumina company in the SOE D in July 2013, he said: "...we got the notification and our company is dismissing a large number of people who are not on the regular payroll. These people are generally rural migrant workers (with lower educational attainment)." The coal market is stagnant and coal prices are continuously falling. Since 2012, in order to reduce costs, the coal enterprise had already started to cut their workers' salaries and whittle down workers. One company in the SOE D dismissed 5,400 people in 2013 and they were mainly workers who worked in its outsourcing business. This lowered costs by 600 million Yuan (Guo 2014). In 2014 the company dismissed more than 9000 people who were not on the regular pay roll (Liu 2014).

Data reduction occurs continually throughout the analysis. In the later stages, it happens through conceptualizing and explaining, since developing abstract concepts is also a way of reducing data (Punch 2009). In summary, rural migrant workers can contribute towards the state-owned business activities through performing manual labour or semi-manual labour and low technology jobs. Although there is equal pay for equal work, indentured workers' jobs are not as secure as jobs of regular staff under ownership by the people. Rural migrant workers are moved, although this activates the labour system and increases the enterprise's economic benefit.

It can be seen from the interview transcripts that permanent job security caused some of the regular staff under ownership by the people lacked commitment, and some of them lacked responsibility; some individual staff's work efficiency was not high.

## Appendix IX

### **Background of the SOE D**

## Appendix IX

### Background of the SOE D.

#### Company type: State Owned Enterprise

As a state-owned enterprise under Provincial Government Control, before 2005, Shandong Province had been opposed to coal enterprises expanding outside Shandong Province. High-level decisions were taken to invest in the hometown-Shandong Province. However, the interviewee said: “Enterprises that occupy the resources will occupy the future.” After 2005, due to the increasing depletion in resources of the headquarter area, the SOE D had to merge and purchase coal mines that were outside Shandong Province. Unfortunately, however, it had already missed the best period. In 2011, the SOE D made a huge investment in two coal mines in one City through openly competitive bidding.

In 2013, after new leaders took over, they asked for advice from the staff in the SOE D, promoting discussion about internal reform in the company. Deficit and debt, resource crisis in the headquarter areas and the rigid system were the biggest challenges. Internal management is the biggest resistance to reform.

In an internal meeting, the chairman of SOE D said: “Staff’s responsibilities need to be defined clearly; the organisation is overstaffed and the internal working impetus is insufficient.” The number of employees at the SOE D’s headquarter is two times the number than at Shenhua Group’s headquarters but Shenhua Group’s total economic output is seven times that of the SOE D (Shen 2014).

In 1998, there were major changes in the coal management system. In April of that year the Ministry of Coal Industry was formally revoked. Supervision rights for 94 key state coal mines were transferred from central government to provincial levels. The SOE D was put directly under Shandong Province’s management. Shandong Province’s State Assets Administration Committee was in charge of dealing with the personnel relationship of the SOE D. Strategic orientation and investment approval

need to be in accordance with Shandong Province's State Assets Administration Committee's development strategy. Although the SOE D has improved "separation of Enterprise Management from Government Functions", it is a long way from independent operation and market principles (Shen 2014).

## Appendix X

**The transcription of the interview with the Chief Engineer in the SOE D and content analysis of the interviewee's interview transcript**

## Appendix X

The transcription of the interview with the Chief Engineer in the SOE D.

Interviewee:

Chief Engineer in the SOE D -Mr N

When the researcher interviewed the Chief Engineer-Mr N in the SOE D, Mr N said: “The state-owned enterprise system cannot meet the needs of a market economy. For example, a car could not be driven on the railway track. Cars can only be driven on the road; trains could not be driven on the road. The market system is not suitable for the state-owned enterprise system. This is where the market system and market economy standards apply. We need to follow the most effective, cost-effective and invest ineffective ways to do things. Nevertheless, the state-owned enterprise’s system is complicated. No matter how many millions or billions of yuan assets a state-owned company owns, all the assets belong to the country. Sometimes what the enterprise says does not count and the things that need to be done cannot be done. We need to submit a report to the State Assets Administration Committee level by level. If they do not comprehensively understand the whole situation, this will cause low decision efficiency. There is some waste of state assets and the cost is high as no person is really responsible for the state assets. In market competition, state-owned enterprises do not have lots of advantages. That is, as a competitive area, for example, selling cars, tractors, motorbikes or selling agricultural products etc., industries in these competitive areas can be market driven and state-owned businesses may withdraw from participation. The government must always attend to core military technology enterprises because they are about national defence and security; coinage enterprises and other industries are covered by state security. Others can be privatized and controlled by the market. SOE D now is in its contraction and efficiency is low. Compared with private companies’ coal mines, our costs are high and their costs are low; there are thousands of people in our one coal mine but there are only hundred people in one coal mine in private companies. Our number of people in each coal mine in the state-owned enterprise is several times higher than in private companies.

Private enterprises participate in market competition and work hard to earn money. If state-owned enterprises lost money, the State subsidizes the state-owned business. This can cause unfairness for private business. China needs decades to undergo a transition from a planned economy to a market economy. The established system and social relationship are very complicated. State-owned enterprises reform urge for new thinking.

Macro economies that involve big planning and construction projects and regional economic development need to be well researched. From the perspective of micro economies, market orientation is needed. The government must always attend to its affairs, however, it must not meddle in what is not needed to be managed by the government. The “invisible hand” and the market can help. On the other hand, planning economies and state-owned businesses have the advantage of being able to concentrate forces on a major task. For example, in order to increase finance resources well in Xinjiang Province, the government gave sizable support to Xinjiang Province. If they had relied on Xinjiang Province to increase its own financial resources using the market, it would have been slow and complicated. The government can quickly pool resources from all sides to accomplish large undertakings and improve the results on all investments. Planning and market forces are both means of controlling economic activity but it is important to draw the strong points from others to offset any weakness.’

## Content Analysis

The researcher analysed the transcript of the interview for possible concepts. From this transcript the researcher came up with three codes:

1. “The state-owned company’s efficiency is low. (Sometimes what the company says does not count and the things that need to be done cannot be done. They need to submit a report to the State Assets Administration Committee level by level. If they do not comprehensively understand the whole situation, it will cause low decision efficiency.)”
2. “Compared with private companies’ coal mines, the state-owned company’s costs are high. There are more people in each coal mine than the private companies.”

3. "There is a waste of state assets and the costs are high as no person is really responsible for these assets."
4. "Industries in some competitive areas can be market driven and state-owned businesses may withdraw from participation."
5. "Macro economies that include big planning and construction projects and regional economic development need to be well researched. From the perspective of micro economies, market orientation is needed."
6. "Planning economies and state-owned businesses have the advantage of being able to concentrate forces on a major task."



## Appendix XI

**The transcription of the interview with employees in the SOE D and content analysis of the interviewees' interview transcripts**

## Appendix XI

The transcription of the interview with employees in the SOE D:

Interviews are as follows:

Mr N, who is a Chief Engineer in the SOE D

One staff member in the SOE D

Mr Q, who works in a mining field at D Coal Mine in the SOE D

Ms L, works in an equipment plant in the SOE D.

Mr N said: “Decades ago, China transformed from a poverty and backwards country to a new country. The country was lifted out of poverty and backwardness. People felt that they could have the final say and could participate in politics. They were able to take the initiative in their jobs in a state-owned business. They felt that change promoted the new life, helped and trusted each other and worked very hard. They went through all kinds of hardships in the old society and knew the big differences between old China and new China so they had huge job enthusiasm. However, the new generation of people do not have the feeling and experiences of the old society as they have grown up in the new society and do not have this comparison. They think there are some issues in this society.”

Mr N also said: “Both development and stability are needed in China. Thirty years of reform and opening up led to people’s ideological confusion. In the past, People believed in Marxism-Leninism, Chairman Mao and Marxism in the past; however, nowadays some people are exclusively concerned with money, lack honesty and make forged commodities. The reform has both achievements and errors. We need to review the experience gained in economic development. This is not a purely economic issue.”

Another staff member in the SOE D said: “People’s background and living environment is different; there has been increased educational attainment of people so the new generation is not the same as the old generation.”

On the other hand, the researcher found from interviewing Mr Q who works in a mining field at one Coal Mine in the SOE D that he thought his job was an “iron rice bowl”-secure employment but there was not enough value with this job; every month he earned a three figure income but only with his parents’ help, could he buy a house and car; nevertheless, he felt hesitant to discard this job as it was a regular job under ownership by the whole people; if he went to find another job, it would not be as secure as this one.

Ms L, works in an equipment plant in SOE D. She also thought her wage is very low. She said: “If I engaged in trade and discarded this job, I would earn more than now but nowadays, it is not easy to get a formal job. This is a formal job.” From this, it can be seen that some people regard jobs under ownership by the whole people as normal. This is also similar to what the researcher found from interviewing Mr W in the SOE D. He said: “...there is a strict system for evaluation of work. After strict evaluation and democratic investigation, staff who held a degree, or above, in the state owned enterprise needed at least three years to become a vice section chief and yet another three years to become a section chief. If you do not make any mistakes, in another five years they may become Deputy Director and then a further five years is required to become director general...You cannot be promoted more than one grade at a time. He felt he dreamed away his life. Nevertheless, in this process of work evaluation, if you make any mistakes your promotion will be delayed or not be achieved. If you do not make any mistakes, when you become cadre in bureau level, you are no longer young.” He is now 26 years old. He said he would like to discard his job in the near future and he would like to engage in business to become a boss but he had also asked his colleagues’ opinions. Most of his colleagues were over 35 years old, they told him they would not like him to discard this job as it was a formal job and they had children. For their children, they didnot want to give up this job. Mr W also indicated: “...for example, sometimes two people fixed an electronic device underground in one mine, actually there was no need for so many people to fix it but there was a group of people available. This was a waste of resources as there was superfluous human capital. State-owned companies

cannot be always protected by the state, only state-owned companies that can survive and win in market competition can be good state-owned enterprises.”

## **Content Analysis**

From this transcript the researcher came up with seven codes:

1. “Decades ago, the country was lifted out of poverty and backwardness. People felt that they can have the final say and can participate in politics. They were able to take the initiative in their jobs in state-owned businesses.”
2. “People believed in the new life, helped and trusted each other and worked very hard.”
3. “The new generation of people do not have similar feelings and experiences of the old society as they grew up in the new society and did not have a comparison.”
4. “Jobs under ownership by the whole people are very secure but there is a rigid promotion system and superfluous human capital.”
5. “People do not work with huge degrees of enthusiasm in the state-owned enterprise.”
6. “There is superfluous human capital in the state-owned enterprise.”

The researcher built an overarching theme to combine several themes together in the interview transcript by comparing these themes. This overarching theme is: “In the past people experienced China transformation from a poverty and backward country to a new country and they felt that they could have the final say and were able to take initiative in their jobs in state-owned businesses in the new country, so they had huge job enthusiasm and a good credibility environment. The new generation of people do not have those feelings and experiences of the old society as they grew up in the new society and were not able to make a comparison. People do not work with huge degrees of enthusiasm in the state-owned enterprise as there is a rigid promotion system although jobs under ownership by the whole people are very secure.”

## Appendix XII

**The transcription of the interview in private B, private company F and private company A in Shandong Province and content analysis of the interviewees' interview transcripts**

## Appendix XII

The transcription of interviews in private company B, private company F and private company A in Shandong Province

The researcher interviewed Mr S who is a deputy general manager in private company B;

Mr D, who is a business manager in private company A;

Mr Z, who is a business manager in private company A.

Two rural migrant workers in private company A.1. Question: "Why does your company employ migrant rural workers?"

Answer (Mr S): "There are urban citizens and rural workers in our company. We always hire based on skills."

Answer (Mr D): "Our company has a big manufacturing capacity and the production is large. We need a lot of labour. We do not only need urban workers but also need rural workers to fulfil the needs of the company."

Answer (Mr Z): "Our company is a mechanical company. Workers are mainly skilled workers. In our company there are lots of rural migrant workers with agricultural household status who had some occupational training work. The company needs these qualified people in this field."

2. Question: "In what other ways do you think these workers contribute towards your business activities?"

Answer (Mr S): "We have about 500 skilled workers. Approximately, 30% of workers are senior skilled workers; 30% of workers are intermediate skilled workers and 30% of workers are junior technologist. We carry out efficiency-related wages of post programme. If they are senior skilled workers, 200 yuan is added to their income. If

they are intermediate skilled workers, 100 yuan is added to their income. This year we employed hundreds of people. More than half of newly employed workers were from rural areas. There are no differences in the criteria of recruitment. Our company bought five insurances for our rural workers and urban workers. Compared with the state-owned company, we only cannot offer the housing common reserve fund for our staff. We hire based on people's skills and competence.

We adopt a performance pay system, and linked base pay to performance. Individuals' performance pay depends on the company's overall economic efficiency and accounts for about 30% of their overall wages. There are also rates of seniority pay. With the increase of working years, there are 50 yuan more in income every year. People who obtain professional qualifications can also get more income. We use piece rates and an hourly wage, depending on job types. In the sales department, we give the good sales commission according by staff's sales achievement in a performance evaluation system

The performance evaluation system greatly stimulated staff. They work hard and contribute towards the business activities."

Answer (Mr D): "They contribute their labour towards the development of the company."

Answer (Mr Z): "Rural migrant workers are hard-working and endure hardship The cultivation of technical schools and junior colleges and special secondary schools can provide companies with an increased proportion of skilled rural migrant workers to contribute to the company's production.

3. Question: "What help do rural migrant workers get from working in the company that contributes to their urban communities?"

Answer (Mr): "Improve workers' welfare from all kinds of aspects. This does not only mean their wages."

Answer (Mr Z): "As a company, we can do and gradually improve that: provide staff with accommodation. This can ravel out their concerns.

Provide staff with entertainment and leisure facilities in the company. This can enrich their lives with respect to recreation.

Provide staff with timely and necessary training in order to improve their working skills. This can make them be efficient at their work.”.

4. Question: “Do these rural migrant workers contribute towards the urban community they have become part of?”

Answer (Mr S): “Companies frequently held workers’ vocational skills competition. The competition is divided into theoretical examination and practical examination. There are four types of competitions among lathe operators, fitters, welders and electricians respectively. Through competitions, outstanding skilled workers came to the fore. This inspired a great deal of enthusiasm in workers. The encouragement of the competition also gave rural workers a great sense of purpose. The competitions encouraged staff to learn more skills and practise their skills. In order to encourage staff to work hard and make progress together, our company held an annual congress of summaries and commendations every year and gave recognition and rewards to best the employees, work teams, sales champion, staff who made a special contribution to the company and work shops.

“Home” culture is the enterprise culture of which private company B. has been working in management. Since building this company, we have not been in default on workers’ wages. We bought employees birthday cakes for their birthday. We delivered gifts to workers’ children on Children’s Day and Christmas Day. The possibility for employees to constantly change workplaces was low. We are kind to our employees and our employees also hope the company gets better and better.”

Answer (Mr D): “They advanced the construction of urbanisation.”

Answer (Mr Z): “Rural migrant workers are an integral part of urban construction. They contribute a lot of labour to urban construction and inject vigour into urban construction. They also promoted the development of cities’ construction industry, consumption and services industry.”

5. Question: “Do you think your company’s system helps all rural workers to be included into urban communities?”



Answer (Mr S): “Yes. The enterprise performance management and “home culture” can help all rural workers be included into urban communities.”

Answer (Mr D): “The company system can help them to some extent. In terms of individual incomes, their wages can help them satisfy their needs in urban society. We treat urban workers and rural workers fairly. This can help them. However, there is a lag between rural workers’ thinking and urban workers’ thinking.”

Answer (Mr Z): “First of all, our regulations ensure that rural migrant workers and urban workers are treated equally in terms of employment.

Secondly, in terms of our regulations, we gave rural migrant workers a travel allowance if they lived far away from the company. We gave them a housing allowance if they have housing difficulties.”?

6. Question: “How do you think rural migrant workers can be better included in the urban community?”

Answer (Mr S): “It is important for them to improve the overall quality of themselves, ensure that they improve in terms of vocational skills and adaptive ability to the environment.

Our company often organised many activities. For example, we held amusing sports meetings with greeting new spring every winter. These activities not only enriched staff’s spare time lives and hobbies but also enabled employees to work more dynamically in the new year.”

Answer (Mr D): “In terms of individuals, they need to be familiar with urban habits and customs and thoughts. Try to contact with urban citizens more.”

Answer (Mr Z): “First of all, they need to actively master one technical skill and upgrade themselves with knowledge.”

7. Question: “Is it easy to manage rural migrant workers in the company compared with the management of urban citizens? 10. What comments do you make about rural migrant workers?”

Answer (Mr S): “Rural migrant workers and urban workers are similar. No matter rural workers or urban workers should not be prone to extravagant fancies. We should have a correct estimate of ourselves and endure hardship and work hard. Do not work for several days and then look for a new job. Comparably, rural workers are more capable of enduring hardship and work hard but sometimes they are keen on getting petty advantages. Sometimes once their wages were a little bit lower than before, they would complain about employers. Sometimes it is not easy for them to be quickly involved in one team. Compared with urban workers, they are more lax in discipline.”

Answer (Mr D): “It is easier to manage rural migrant workers. Rural migrant workers endure hardship and work hard. They feel very contented as long as they get paid for their work. Urban workers not only need to get paid for their work but also need to satisfy themselves from the perspective of their thoughts. Compared with rural migrant workers, urban workers appear have more needs.”

Answer (Mr Z): “Under the training guidance of the company, rural migrant workers are easier to be managed.”

8. Question: “Who do you think can give rural migrant workers the most care and help in the company?”

Answer (Mr S): “We did not discriminate in their treatment of people. Individuals’ performance pay depends on the company’s overall economic efficiency and accounts for about 30% of their overall wages. Furthermore, we have the “home” culture and have got the same aim. We also institute a system for the evaluation of work.”

Answer (Mr D): “Junior managers.”

Answer (Mr Z): “Rural migrant workers’ direct manager. They are familiar with them and easy to communicate with rural workers. 9. Question: In your opinion what is the best way migrant workers can develop their career?”

Answer (Mr S): “ The company is good platform and can help rural workers bring out the best in them.”

Answer (Mr D): “Help them get more income. Inoculate them with city custom and company culture.”

Answer (Mr Z): “First of all, rural migrant workers’ educational attainment is generally low. There is a fierce competition in the company. Companies and society should give staff appropriate training and education in order for rural migrant workers to be integrated in to companies and the society’s development. Secondly, improve social security system and give them guarantees. Then, improve their consciousness of self-protection of employment rights. This can allow them to protect their own lawful rights . Finally, all attempts to solve the problems of rural migrant workers’ children education and housing support. This will make them have no further trouble to worry about and live and work in security.”.

10.Question: “What comments do you make about rural migrant workers?”

Answer (Mr D): “Good.”

Answer (Mr Z): “To be an urban citizen and live and work in peace and contentment have become their new vision for their future. To work in cities has not been to support their families. Seek development, learn skills and earn more money have already become their main purpose in cities. If government, companies and society provide better welfare services for them to make them be included in the company and the urban society, they will become an inexhaustible motive force for the prosperity of the development of society.”

The researcher interviewed one line manager in private company F.

Question: “What do you think about rural migrant workers and urban citizens?”

Answer: He said, “Although city people have bad habits, rural workers have more bad habits than urban workers when working. Workers who are from rural areas like to be preoccupied with their personal gains and losses and pay particular attention on meagre profit. In contrast, urban workers are more afraid of losing face. Urban workers are more competent. Sometimes rural workers think it is no problem to give a short or long measure for products but rural workers can do heavy work. The legal consciousness of rural workers is also not very high.”

The researcher also asked him: “Do you have any suggestions or recommendations for rural migrant workers?”

He said: “Many rural migrant workers with lower educational attainment are inexperienced in the city. Therefore, they, sometimes, are slow to react at work and slow to learn. They need to take time to learn and accumulate skills and knowledge by study and hard work. In considering people who determined to create a good career for themselves, they can learn skills well on this platform provided by the company. Thus they can also be suitable for other jobs.”

The researcher interviewed two rural migrant workers in private company A.

Question: “What do you think the best way for you to find a suitable job?”

Answer: “A perfect mastery of a special job skill. Rely on our proficient skills to create profitability for our company.”

Answer: “Mastering a special job skill.”

Question: “How do you think can get a satisfactory post in your company?”

Answer: “That post should be appropriate to our training. The company leaders are satisfactory about my work and trust me.”

Answer: “The post is related to my skill expertise.”

## **Content analysis**

Data reduction occurs continually throughout the analysis. The interview transcript was generalised as with several tentative concepts for each topic as follows:

Reasons for the recruitment of rural migrant workers are:

- 1.The need for skills
- 2.Labour

The ways in which rural migrant workers contribute towards business activities:

1. The performance evaluation system greatly encouraged staff. They work hard and contribute towards business activities.

2. Labour

3. Rural migrant workers are hard-working and endure hardship.

The methods for promoting the inclusion of rural migrant workers within urban communities:

1. Vocational skills competition. This inspired a great deal of enthusiasm in workers.

2. "Our company held an annual congress of summaries and commendations every year and gave recognition and rewards to the best employees, work teams, a sales champion, staff who made a special contribution to the company and workshops."

3. "Home" culture is the enterprise culture.

4. "We bought employees birthday cakes for their birthday. We deliver gifts to workers' children on Children's Day and Christmas Day."

5. "We are kind to our employees and our employees also hope the company gets better and better."

6. "Improve the overall quality of them, to ensure that they improve in terms of vocational skills and adaptive ability to the environment."

7. "Improve workers' welfare from all kinds of aspects."

8. "Provide the staff with accommodation."

9. "Provide the staff with entertainment and leisure facilities in the company."

10. "Provide the staff with timely and necessary training in order to improve their working skills."

11. "Treat urban workers and rural workers fairly."

12. "We give rural migrant workers a travel allowance if they live far away from the company."

13. "We give them a housing allowance if they have housing difficulties to ravel out their concerns."

14. "They need to be familiar with urban habits and customs and thoughts. Try to contact with urban citizens more."

15. "They need to actively master one technical skill and equip

themselves with knowledge.”

16. “Help from rural migrant workers’ direct manager.”

17. “Help them get more income. Inoculate them with city customs and company culture.”

18. “Companies and society should give the staff appropriate training and education in order for rural migrant workers to adapt to companies and the society’s development.”

19. “Improve social security system and give them guarantees. Then, improve their consciousness of self-protection of employment rights.”

20. “Make every attempt to solve the problems of rural migrant workers’ Children’s education and housing support.”

21. “If government, companies and society provide better security for them to make them be included in the company and urban society, they will become an inexhaustible motive force for the prosperity of the development of society.”

Comments on rural migrant workers:

1. “Rural migrant workers more endure hardship and work hard but sometimes they are keen on getting petty advantages.”

2. “Rural workers think it is no problem to give a short or long measure for products, but rural workers can do heavy work.”

3. “The legal consciousness of rural workers is also not very high.”

4. “Rural migrant workers with lower educational attainment are inexperienced and slow to learn.”

5. “There is a lag between rural workers’ thinking and urban workers’ thinking.”

6. “It is easier to manage rural migrant workers. Rural migrant workers endure hardship and work hard. They feel very contented as long as they get paid for their work.”

Secondly, the researcher grouped together these concepts into themes: reasons to recruit rural migrant workers:

1. The need for skills

## 2.Labour

The ways in which rural migrant workers contribute towards business activities:

1. “The performance evaluation system greatly encouraged staff.”
2. Labour
3. “Rural migrant workers are hard-working and endure hardship.”

The methods for promoting the inclusion of rural migrant workers within urban communities:

1. “Vocational skills competition inspired a great deal of enthusiasm in workers.”
2. “Rewards to best employees, work teams, a sales champion, staff who made a special contribution to the company and work-shops.”
3. ““Home” culture. Look after employees.”
4. “Ensure that rural migrant workers improve in terms of vocational skills and adaptive ability to the environment.”
5. “Improve workers’ welfare from all kinds of aspects.”
6. “They need to be familiar with urban habits and customs and thoughts. Try to contact with urban citizens more.”
7. “They need to actively master one technical skill and equip themselves with knowledge.”
8. “Help from rural migrant workers’ direct manager.”
9. “Companies and society should give staff appropriate training and education in order for rural migrant workers to adapt to companies and the society’s development.”
10. “Improve the social security system and give them guarantees. Then, improve their consciousness of self-protection of employment rights.”
11. “Make every attempt to solve the problems of rural migrant workers’ Children’s education and housing support.”
12. “If government, companies and society provide better security to them to make them be included in the company and urban society, they will become an inexhaustible motive force for the prosperity of the development of the society.”

Comments on rural migrant workers:

1. "Rural migrant workers endure more hardships and work harder but sometimes they are keen on getting petty advantages and are less competent."
2. "There is a lag between rural workers' thinking and urban workers' thinking."
3. "It is easier to manage rural migrant workers. They feel very contented as long as they get paid for their work."



## **Appendix XIII**

A summary of the interview with Mr D in company A about measures that can help team members get more help from line managers

## Appendix XIII

A summary of the interview with Mr D in company A about measures that can help team members get more help from line managers:

In the interview with Mr D in company A, he also said: “Our company has two factories - A1 and A2 Conveyor China. A1 is located in C and A2 is located in D town in Rizhao city in Shandong Province. Workers in A1 work very hard because they want money. Our company implements performance management. The more you work, the more you get. For them, a 4000 yuan/ month wage or a 5000 yuan/month wage can make a big difference. Their team coherence is strong. They are inclined to cling together as a group and exclude outsiders. On the contrary, money is not as important for workers in A2 as it is for workers in A1. Workers in A2 in D town do not work as hard as workers in A1. There is a history. D town is near the sea. A long time ago, the life of people who lived in D was very relaxed. When they needed money, they just went to the seaside and sought some fish or marine plant and then took them to the markets to sell. Therefore, they became used to a relaxed life. Their team coherence is not so strong and the encouragement of a performance related salary system is also not so strong. In view of this, we sometimes send some good line managers from A1 to A2 to help workers in A2 form a good work behavioural pattern.”

## **Ethics Approval Form**

## Medium to High Risk Research Ethics Approval Form

### 1 Project Information (Everyone)

Title of Project Assessing the contribution of social capital to the inclusion of migrant workers within urban communities in Shandong Province, China
Name of Principal Investigator (PI) or Research or Professional Degree Student Fan He
Faculty, Department or Institute School of Business, Royal Agricultural College, UK
Names of Co-investigators (CIs) and their organisational affiliation None
How many additional research staff will be employed on the project? Zero
Names and their organisational affiliation (if known) N/A
Proposed project start date (At least three months in the future) 02/04/2013
Estimated project end date 09/2014
Who is funding the project? Self Funding
Has funding been confirmed? Yes
Code of ethical practice and conduct most relevant to your project: <ul style="list-style-type: none"> <li>• British Computer Society</li> <li>• British Psychological Society</li> <li>• Engineering Council</li> <li>• Social Research Association</li> <li>• Socio-legal Studies Association</li> <li>• Other (Specify)</li> </ul>

### Students Only

Degree being studied (MSc/MA by Research, MPhil, PhD, EngD, etc) PhD
Name of your Director of Studies Professor Kanes Rajah
Date of Enrolment 12/04/2012

## 2. Does this project need ethical approval?

Questions	Yes	No
Does the project involve collecting primary data from, or about, living human beings?	✓	
Does the project involve analysing primary or unpublished data from, or about, living human beings?	✓	
Does the project involve collecting or analysing primary or unpublished data about people who have recently died, other than data that are already in the public domain?		✓
Does the project involve collecting or analysing primary or unpublished data about or from organisations or agencies of any kind, other than data that are already in the public domain?	✓	
Does the project involve research with non-human vertebrates in their natural settings or behavioural work involving invertebrate species not covered by the Animals Scientific Procedures Act (1986)? <sup>1</sup>		✓
Does the project place the participants or the researchers in a dangerous environment, risk of physical harm, psychological or emotional distress?		✓

If you answered **Yes** to **any** of these questions, please proceed to **Section 3**.

If you answered **No** to **all** these questions:

- You **do not** need to submit your project for peer review and ethical approval.
- You should sign the Declaration in **Section 16**, and keep a copy for your own records.
- Students must ask their Director of Studies to countersign the declaration, and they should send a copy for you file to the Registry Research Unit.

<sup>1</sup> The Animals Scientific Procedures Act (1986) was amended in 1993. As a result the common octopus (*Octopus vulgaris*), as an invertebrate species, is now covered by the act.

### 3 Does the project require Criminal Records Bureau checks?

Questions	Yes	No
Does the project involve direct contact by any member of the research team with children or young people under 18 years of age?		✓
Does the project involve direct contact by any member of the research team with adults who have learning difficulties?		✓
Does the project involve direct contact by any member of the research team with adults who are infirm or physically disabled?		✓
Does the project involve direct contact by any member of the research team with adults who are resident in social care or medical establishments?		✓
Does the project involve direct contact by any member of the research team with adults in the custody of the criminal justice system?		✓
Has a Criminal Records Bureau (CRB) check been stipulated as a condition of access to any source of data required for the project?		✓

If you answered **Yes** to any of these questions, please:

- Explain the nature of the contact required and the circumstances in which contact will be made during the project.

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### 4 Is this project liable to scrutiny by external ethical review arrangements?

Questions	Yes	No
Has a favourable ethical opinion been given for this project by a social care research ethics committee, or by any other external research ethics committee?		✓
Will this project be submitted for ethical approval to a social care committee or any other external research ethics committee?		✓

If you answered **No** to **both** of these questions, please proceed to **Section 5**.

If you answered **Yes** to **either** of these questions, please:

- Sign the Declaration in **Section 16**, and send a copy to the Registry Research Unit.
- Students must get their Director of Studies to countersign the form before submitting it.

Objectives: 1. To identify the motivation of rural migrants moving to urban communities in China.  
2. To analyse the assimilation process of rural migrant workers in private companies and SOEs in Shandong Province and the influence of pre-existing urban employees in these organisations on the

## 5 More detail about the project

What are the aims and objectives of the project?

Aim: Assessing the Contribution of Social Capital to the Inclusion of rural migrant workers within urban communities in Shandong Province, China

Briefly describe the principal methods, the sources of data or evidence to be used and the number and type of research participants who will be recruited to the project.

A case study approach has been used in this research. The quantitative data analysis of responses from the employees in one SOE and four private companies collected in this case study is discussed alongside the feedback received from the semi-structured interviews conducted on

What research instrument(s), validated scales or methods will be used to collect data?

Questionnaires, interviews. Quantitative research methods and qualitative research methods

If you are using an externally research instrument, validated scale or research method, please specify.

If you are not using an externally validated scale or research method, please attach a copy of the research instrument you will use to collect data. For example, a measurement scale, questionnaire, interview schedule, observation protocol for ethnographic work or in the case of unstructured data collection a topic list.

3. To evaluate the contribution of social capital to the above assimilation process in the context of the Marxist and rational strains of social capital theory.

Employers and managers of rural migrant workers. The respondents will be split into

## 6 Confidentiality, security and retention of research data

Questions	Yes	No
Are there any reasons why you cannot guarantee the full security and confidentiality of any personal or confidential data collected for the project?		✓
Is there a significant possibility that any of your participants, or people associated with them, could be directly or indirectly identified in the outputs from this project?		✓
Is there a significant possibility that confidential information could be traced back to a specific organisation or agency as a result of the way you write up the results of the project?		✓
Will any members of the project team retain any personal or confidential data at the end of the project, other than in fully anonymised form?		✓

staff with agricultural household registration. Staff changing from agricultural to non-agricultural status and urban citizens in both types of companies. There are about 10 questionnaires to be handed out to respondents in the SOE. There are about 100

If you answered **No** to all of these questions, please:

- Explain how you will ensure the confidentiality and security of your research data, both during and after the project.

Any information given to the researcher will be treated in strict confidence and all questionnaire returns will be anonymous. No follow-up letters will be sent. No questionnaires

If you answered **Yes** to any of these questions, please:

- Explain the reasons why it is essential to breach normal research protocol regarding confidentiality, security and retention of research data.

questionnaires that will be handed out to each private company. The researcher will interview about 12 rural migrant workers and interview about 10 select managers and employers in private companies and the SOE.

can have coded numbers or symbols so that responses can be identified. No one will see the completed questionnaires except me. All questionnaires and records will be shredded once research is completed.

## 7 Informed consent

Questions	Yes	No
Will all participants be fully informed why the project is being conducted and what their participation will involve, and will this information be given before the project begins?	✓	
Will every participant be asked to give written consent to participating in the project, before it begins?	✓	
Will all participants be fully informed about what data will be collected, and what will be done with these data during and after the project?	✓	
Will explicit consent be sought for audio, video or photographic recording of participants?	✓	
Will every participant understand what rights they have not to take part, and/or to withdraw themselves and their data from the project if they do take part?	✓	
Will every participant understand that they do not need to give you reasons for deciding not to take part or to withdraw themselves and their data from the project and that there will be no repercussions as a result?	✓	
If the project involves deceiving, or covert observation of, participants, will you debrief them at the earliest possible opportunity?		N/A

If you answered **Yes** to all these questions, please:

- Explain briefly how you will implement the informed consent scheme described in your answers.
- Attach copies of your participant information sheet and consent form as evidence of your plans.

I will ensure that participants are fully aware of the purpose of the research and understand their rights. Some are designed to be read out at the start of interviews, explaining that participation is voluntary, that

- If you answered **No** to any of these questions, please:
- Explain why it is essential for the project to be conducted in a way that will not allow all participants the opportunity to exercise fully-informed consent.
  - Explain how you propose to address the ethical issues arising from the absence of transparency.
  - Attach copies of your participant information sheet and consent form as evidence of your plans.

Questionnaire respondents will be asked to sign a copy of the protocol form before fill in it. I will also promise confidentiality and anonymity.



## 8 Risk of harm

Questions	Yes	No
Is there any significant risk that your project may lead to physical harm to participants or researchers?		✓
Is there any significant risk that your project may lead to psychological or emotional distress to participants?		✓
Is there any significant risk that your project may lead harm to the reputation of participants, or their employers, or of any other persons or organisations?		✓

If you answered **Yes** to any of these questions, please:

- Explain the nature of the risks involved, why it is necessary for the participants or researchers to be exposed to such risks.
- Explain how you propose to assess, manage and mitigate any risks to participants or researchers.
- Explain the arrangements by which you will ensure that participants understand and consent to these risks.
- Explain the arrangements you will make to refer participants or researchers to sources of help, if they are seriously distressed or harmed as a result of taking part in the project.
- Explain the arrangements for recording and reporting any adverse consequences of the research.

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## 9 Risk of disclosure of harm or potential harm

Questions	Yes	No
Is there a significant risk that the project will lead participants to disclose evidence of previous criminal offences, or their intention to commit criminal offences?		✓
Is there a significant risk that the project will lead participants to disclose evidence that children or vulnerable adults are being harmed, or are at risk of harm?		✓
Is there a significant risk that the project will lead participants to disclose evidence of serious risk of other types of harm?		✓

If you answered **Yes** to any of these questions, please:

- Explain why it is necessary to take the risks of potential or actual disclosure.
- Explain what actions you would take, if such disclosures were to occur.
- Explain what advice you will take and from whom before taking these actions.
- Explain what information you will give participants about the possible consequences of disclosing information about criminal or serious risk of harm

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## 10 Payment of participants

Questions	Yes	No
Do you intend to offer participants cash payments or any other kind of inducements or compensation for taking part in your project?		✓
Is there any significant possibility that such inducements will cause participants to consent to risks that they might not otherwise find acceptable?		✓
Is there any significant possibility that the prospect of payment or other rewards will systematically skew the data provided by participants in any way?		✓
Will you inform participants that accepting compensation or inducements does not negate their right to withdraw from the project?		✓

If you answered **Yes** to any of these questions, please:

- Explain the nature of the inducements or the amount of the payments that will be offered.
- Explain the reasons why it is necessary to offer payments.
- Explain why you consider it is ethically and methodologically acceptable to offer payments.

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## 11 Capacity to give valid consent

Questions	Yes	No
Do you propose to recruit any participants who are under 18 years of age?		✓
Do you propose to recruit any participants who have learning difficulties?		✓
Do you propose to recruit any participants with communication difficulties, including difficulties arising from limited facility with the English language?		✓
Do you propose to recruit any participants who are very elderly or infirm?		✓
Do you propose to recruit any participants with mental health problems or other medical problems that may impair their cognitive abilities?		✓
Do you propose to recruit any participants who may not be able to understand fully the nature of the research and the implications for them of participating in it?		✓

If you answered **Yes** to **only the last two** questions, please proceed to **Section 16** and then apply using the online NHS Research Ethics Committee approval form.

If you answered **Yes** to any of the **first four** questions, please:

- Explain how you will ensure that the interests and wishes of participants are understood and taken into account.
- Explain how in the case of children the wishes of their parents or guardians are understood and taken into account.

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## 12 Is participation genuinely voluntary?

Questions	Yes	No
Are you proposing to recruit participants who are employees or students of Coventry University or of organisation(s) that are formal collaborators in the project?		✓
Are you proposing to recruit participants who are employees recruited through other business, voluntary or public sector organisations?	✓	
Are you proposing to recruit participants who are pupils or students recruited through educational institutions?		✓
Are you proposing to recruit participants who are clients recruited through voluntary or public services?		✓
Are you proposing to recruit participants who are living in residential communities or institutions?		✓
Are you proposing to recruit participants who are in-patients in a hospital or other medical establishment?		✓
Are you proposing to recruit participants who are recruited by virtue of their employment in the police or armed services?		✓
Are you proposing to recruit participants who are being detained or sanctioned in the criminal justice system?		✓
Are you proposing to recruit participants who may not feel empowered to refuse to participate in the research?		✓

If you answered **Yes** to **any** of these questions, please:

- Explain how your participants will be recruited.
- Explain what steps you will take to ensure that participation in this project is genuinely voluntary. *Based on important characteristics that are meaningful for the objectives, a different sample group was drawn from the sample of staff in private companies and the sample of staff in the SOE.*

*Selections are based on trust relations, relatives,*

*friends and classmates, and referrals between with different groups in ONE SOE and four private companies. These groups include staff with "agricultural household registration", staff changing from "agricultural" to non-agricultural status and urban citizens in both types of company.*

*All questionnaire returns will be anonymous. Any information given to the researcher will be treated in strict confidence. This can help ensure that participation in this project is genuinely voluntary.*

### 13 Online and Internet Research

Questions	Yes	No
Will any part of your project involve collecting data by means of electronic media, such as the Internet or e-mail?		✓
Is there a significant possibility that the project will encourage children under 18 to access inappropriate websites, or correspond with people who pose risk of harm?		✓
Is there a significant possibility that the project will cause participants to become distressed or harmed, in ways that may not be apparent to the researcher(s)		✓
Will the project incur any other risks that arise specifically from the use of electronic media?		✓

If you answered **Yes** to any of these questions, please:

- Explain why you propose to use electronic media.
- Explain how you propose to address the risks associated with online/internet research.
- Ensure that your answers to the previous sections address any issues related to online research.

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### 14 Other ethical risks

Question	Yes	No
Are there any other ethical issues or risks of harm raised by your project that have not been covered by previous questions?		✓

If you answered **Yes** to this question, please:

- Explain the nature of these ethical issues and risks.
- Explain why you need to incur these ethical issues and risks.
- Explain how you propose to deal with these ethical issues and risks.

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### 15 Research with non-human vertebrates<sup>2</sup>

Questions	Yes	No
Will any part of your project involve the study of animals in their natural habitat?		✓
Will your project involve the recording of behaviour of animals in a non-natural setting that is outside of the control of the researcher?		✓
Will your field work involve any direct intervention other than recording the behaviour of the animals available for observation?		✓
Is the species you plan to research endangered, locally rare or part of sensitive ecosystem protected by legislation?		✓
Is there any significant possibility that the welfare of the target species or those sharing the local environment/habitat will be detrimentally affected?		✓
Is there any significant possibility that the habitat of the animals will be damaged by the project, such that their health and survival will be endangered?		✓
Will project work involve intervention work in a non-natural setting in relation to invertebrate species other than <i>Octopus vulgaris</i> ?		✓

If you answered **Yes** to any of these questions, please:

- Explain the reasons for conducting the project in the way you propose, and the academic benefits that will flow from it.
- Explain the nature of the risks to the animals and their habitat.
- Explain how you propose to assess, manage and mitigate these risks.

<sup>2</sup> The Animals Scientific Procedures Act (1986) was amended in 1993. As a result the common octopus (*Octopus vulgaris*), as an invertebrate species, is now covered by the act.

## 16 Principal Investigator's Declaration

Please ensure that you:

- Tick all the boxes below that are relevant to your project and sign this form.
- Students must get their Director of Studies to countersign this declaration.

I believe that this project <b>does not require research ethics approval</b> . I have completed Sections 1-2 and kept a copy for my own records. I realise I may be asked to provide a copy of this form at any time.	
I request that this project is <b>exempt from internal research ethics review</b> because it will be, or has been, reviewed by an external Research Ethics Committee. I have completed Sections 1-4 and attach/will attach a copy of the favourable ethical review issued by the external Research Ethics Committee.  Please give the name of the external Research Ethics Committee here:	
I <b>request an ethics review</b> and confirm that I have answered all relevant questions in this form honestly.	✓
I confirm that I will carry out the project in the ways described in this form. I will immediately suspend research and request a new ethical approval if the project subsequently changes the information I have given in this form.	✓
I confirm that I, and all members of my research team (if any), have read and agree to abide by the code of research ethics issued by the relevant national learned society.	✓
I confirm that I, and all members of my research team (if any), have read and agree to abide by the University's Research Ethics, Governance and Integrity Framework.	✓

### Signatures

If you submit this form and any attachments by e-mail, you should type your name in the signature space. An email attachment sent from your University inbox will be assumed to have been signed electronically.

#### Principal Investigator

Signed Fan He (Principal Investigator or Student)

Date 31/01/2013

Student submitting this form by email, must append to it an email from your Director of Studies confirming that they are prepared to make the declaration above and to countersign this form. This email will be taken as an electronic countersignature

#### Student's Director of Studies

Countersigned Kave & ram (Director of Studies)

Date 12/05/15

I have read this form and confirm that it covers all the ethical issues raised by this project fully and frankly. I also confirm that these issues have been discussed with the student and will continue to be reviewed in the course of supervision.

**For office use only****Initial assessment**

Date form initially received:	DD/MM/YYYY	
1. Ethical review required	Yes	No
2. CRB check required	Yes	No
<b>Exempted submitted to an external Research Ethics Committee</b>		
3. External Research Ethics Committee (Name)	Yes	No
4. Copy of external ethical clearance received	DD/MM/YYYY	
<b>Ethics Panel Review</b>		
5. Date sent to reviewer 1 (Name)	DD/MM/YYYY	
6. Date sent to reviewer 2 (Name)	DD/MM/YYYY	
<b>Original Decision (Consultation with Chair UARC/Chair RDSC)</b>		
7. Approve	Yes	No
8. Approve with conditions (specify)	Yes	No
9. Resubmission	Yes	No
10. Reject	Yes	No
11. Date of letter to applicant:	DD/MM/YYYY	
<b>Resubmission</b>		
12. Date of receipt of resubmission:	DD/MM/YYYY	
13. Date sent to reviewer 1 (Name)	DD/MM/YYYY	
14. Date sent to reviewer 2 (Name)	DD/MM/YYYY	
<b>Final decision recorded (Consultation with Chair UARC/Chair RDSC)</b>		
15. Approve	Yes	No
16. Approve with conditions (specify)	Yes	No
17. Reject	Yes	No
18. Date of letter to applicant:	DD/MM/YYYY	

Signature .....(Chair of UARC/Chair RDSC)

Date .....

## **INFORMATION LEAFLET AND INFORMED CONSENT**

### **PROJECT TITLE: Assessing the contribution of social capital to the inclusion of migrant workers within urban communities in Shandong Province, China**

Primary investigator: Ms Fan He

Study leader: Prof K.K Rajah, PhD (Business Creativity, Innovation, Change, Strategy, Entrepreneurship and Entrepreneurial Behaviour), Dean, School of Business, Royal Agricultural University, UK

Dear employees

You are invited to participate in a research study as part of data collection for my PhD study. Before you agree to take part, you should fully understand what is involved. You should not agree to take part unless you are completely satisfied with all aspects of the study.

#### **WHAT IS THE STUDY ALL ABOUT?**

This study explores issues of the inclusion of urban peasant-workers within urban communities in constructing harmonious societies in the sight of social-capital theory. Under the historical context of balancing urban and rural development, the study of the inclusion of migrant workers within urban communities will be made to support the balanced development between the city and the countryside and this will then contribute to the development of urban-rural integration theory. China is in a period of economic and social dual transition that is closely related to changes to institutions, norms and organisations. Previous studies primarily focused on individual relations to analyse the inclusion of migrant workers within urban communities, using social capital as an analysis tool. This study will form the basis from which contributions and influences of effective organisations, institutions, norms, culture and social networks for inclusion of migrant workers



within urban communities can be developed.

Responding to the questions should not take more than **60 minutes** of your time.

**ARE THERE ANY CONDITIONS THAT MAY EXCLUDE YOU FROM THE STUDY?**

There should be no conditions that may exclude you from the study.

**CAN ANY OF THE STUDY PROCEDURES RESULT IN PERSONAL RISK, DISCOMFORT OR INCONVENIENCE?**

*Questions and interview:* The study and procedures involve no foreseeable physical discomfort or inconvenience to you or the members of your company. Any information given to the researcher will be treated in strict confidence and all questionnaire returns will be anonymous. No follow-up letters will be sent. No questionnaires can have coded numbers or symbols so that responses can be identified. All questionnaires and records will be shredded once research is completed. The results of the questions will be handled in a confidential and responsible manner. I would like your permission to audio record and transcribe the interview. This transcript will be anonymised and you will be provided with a copy to ensure a true reflection of the interview. The information received during the project will only be used for research purposes and not be released for any employment-related performance evaluation, promotion and/or disciplinary purposes.

*Minimal risk/discomfort/inconvenience:* Participation in the study involves minimal risks, discomforts and/or inconveniences that are no more than the risks, discomforts and/or inconveniences one encounter in daily living.

**WHAT ARE THE POTENTIAL BENEFITS THAT MAY COME FROM THE STUDY?**

The benefits of participating in this study are that you will make a contribution

towards establishing an understanding and explanation for the inner mechanism of the inclusion of urban peasant workers within urban communities. This study brings the analysis of organisations that are social capital at middle range into researching on the inclusion of migrant workers within urban communities, helping build a fairly new and complete social capital theoretical framework of urban-rural integration. Faced by rapidly increasing rural-urban migration our understanding of the role of social capital in supporting newly migrant workers could be vital to the continued development of China as socially cohesive world power.

**WILL YOU RECEIVE ANY FINANCIAL COMPENSATION OR INCENTIVE FOR PARTICIPATING IN THE STUDY?**

Please note that you **will not** be paid to participate in the study.

**WHAT ARE YOUR RIGHTS AS A PARTICIPANT IN THIS STUDY?**

Your participation in this study is entirely voluntary. I will ensure that participants are fully aware of the purpose of the research and understand their rights. Some are designed to be read out at the start of interviews, explaining that participation is voluntary, that participants are free to refuse to answer any questions and you have the right to withdraw at any stage without any penalty or future disadvantage whatsoever. You don't even have to provide the reason/s for your decision. Note that you are not waiving any legal claims, rights or remedies because of your participation in this research study.

**HOW WILL CONFIDENTIALITY AND ANONYMITY BE ENSURED IN THE STUDY?**

Only the researcher and the supervisors will have access to the interview information. You will receive a transcript of the interview to scrutinise and to approve as a true reflection of the interview. The results of this study might be published in a scientific journal and/or presented at scientific meetings, but again without revealing the identity of any research participant. Questionnaire respondents will be asked to sign a copy of the protocol form before fill in it. I will

also promise confidentiality and anonymity.

#### **IS THE RESEARCHER QUALIFIED TO CARRY OUT THE STUDY?**

The researcher is an adequately trained and qualified researcher in the study fields covered by this research project.

#### **HAS THE STUDY RECEIVED ETHICAL APPROVAL?**

Yes. All parts of the study will be conducted according to internationally accepted ethical principles.

**The primary investigator, Ms Fan He, can be contacted by email at Fan.He@rau.ac.uk. The study leader, Prof KK Rajah, can be contacted by e-mail during office hours at Kanes.Rajah@rau.ac.uk.**

#### **A FINAL WORD**

Your co-operation and participation in the study will be greatly appreciated. Please sign the underneath informed consent if you agree to participate in the study. In such a case, you will receive a copy of the signed informed consent from the researcher.

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## CONSENT

I hereby confirm that I have been adequately informed by the researcher about the nature, conduct, benefits and risks of the study. I have also received, read and understood the above written information. I am aware that the results of the study will be anonymously processed into a research report. I understand that my participation is voluntary and that I may, at any stage, without prejudice, withdraw my consent and participation in the study. I had sufficient opportunity to ask questions and of my own free will declare myself prepared to participate in the study.

Research participant's name: \_\_\_\_\_ (Please print)

Research participant's signature: \_\_\_\_\_

Date: \_\_\_\_\_

Researcher's name: \_\_\_\_\_ (Please print)

Researcher's signature: \_\_\_\_\_

Date: \_\_\_\_\_

## 信息简章及知会同意

课题：评价中国山东省社会资本对农民工城市融合的贡献

主要研究者：贺璠

导师：K.K Rajah 教授，博士（商业创新，改变，战略，创业精神和行为），英国皇家农学院，商业系，系主任。

大家好！

您被邀请参加我的博士课题研究。在您同意参加之前，您应完全理解被研究的内容。您应在完全满意研究的各方面内容才同意参加。

这项研究是在讲什么？

这项研究以社会资本视角探讨在构建和谐社会中农民工城市融入的问题。在平衡城乡发展的历史背景下，农民工城市融合的研究支持城乡平衡发展以及能帮助城乡一体化理论的发展建构。中国处于社会和经济的双重转型时期，这会相应伴随体制，规则和组织制度的变化。以前的研究着重于用社会资本作为分析工具去分析个人关系对农民工的城市融入的影响。这项研究将会为分析有效的组织，制度，规则，文化和社会网络对农民工城市融入的贡献和影响奠定基础。

回答问题不会超过您 60 分钟时间。

有没有情况阻碍您参加这项研究？

没有情况可以阻碍您参加这项研究。

有没有任何研究程序能够导致您的个人风险或不适？

*问题和采访：*这项研究和程序没有可见的对您和您公司的成员及公司的不适。任何给予研究者的信息将被严格保密对待。任何调查问卷都是匿名的。没有跟进的信件被寄。调查问卷上没有可追述到填卷人的记号。一旦研究完成，所有调查问卷和记

录都会被粉碎销毁。所问问题的答案都会被保密处理。关于采访我需要争取您的同意才录音及抄写下来。这也将会是匿名的。您将会被提供一份抄写下来的采访副本。这项研究项目收集的信息只被用作研究目的，不会被用作职业表现评估。

*最小的风险和不适：* 参与研究的风险和不适是不会高于您日常生活所正常遇到的风险和不适的。

来自于这项研究的潜在好处是什么？

参与这项研究您可为理解农民工城市融入的内部机制做出贡献。这项研究将中观层次的社会资本即对组织的分析纳入农民工城市研究中，帮助建立一个相对新的和较完整的城乡一体化的社会资本理论框架。面对快速增长的城乡移民，我们对社会资本支持新移民城市融入的角色的理解对作为世界凝聚力的中国的可持续发展至关重要。

您参与这项研究会受到任何财政补贴吗？

请注意您参与这项研究不会被付费。

您参与这项研究的权利是什么？

您参与这项研究是完全自愿的。我会确保参与者完全明白研究的议题及理解参与者自己的权利。在采访前我会宣读同意书并解释您的参与是自愿的。参与者可以随时拒绝回答任何问题，同时在任何阶段您也有权退出参与的权利，而这不会造成对您任何不利的后果。若您选择退出参与，您也不需要给出任何理由。请注意您不要放弃任何合法要求及权利。

在这项研究中，保密和匿名是如何被保证的？

只有这项研究的主要研究者和导师可以使用采访信息。您将会收到采访笔录去核对和批准此笔录是否真实反映了采访的内容。研究结果或许会发表到科学杂志，但不会揭示此研究的参与者。在您签填写调查问卷前，您需要签一份协议。我将会向您

保证它的匿名和保密性。

研究者有资格执行这项研究吗？

研究者在此研究领域受到过充分的培训。

这项研究受到过伦理认可吗？

是的。这项研究的所有部分都会按照国际公认的伦理原则去执行。

主要研究者：贺璠，您可以通过电子邮件 [Fan.He@rac.ac.uk](mailto:Fan.He@rac.ac.uk) 联系她。

该研究的领导者：KK Rajah 教授，您可以通过电子邮件 [Kanes.Rajah@rac.ac.uk](mailto:Kanes.Rajah@rac.ac.uk) 联系他。

我深表感谢您对这项研究的合作和参与。如果您同意参与这项研究，请签署以下的知情同意书。在这种情况下，您将会收到一份签好的同意书的副本。

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## 同意书

我特此确定我已经被研究者充分告知此项研究的性质,益处及风险事宜。我也收到, 阅读及理解了上述信息。我意识到一切研究的结果都以匿名的方式处理。我明白我的参与是自愿的, 以及没有任何偏见我可以在任何阶段退出参与。我有充分的机会去问问题。这是我的自由意志, 我宣布我准备参与这项研究。

研究参与者的姓名: \_\_\_\_\_ (请用印刷体)

研究参与者的签名: \_\_\_\_\_

日期: \_\_\_\_\_

研究者的姓名: \_\_\_\_\_ (请用印刷体)

研究者的签名: \_\_\_\_\_

日期: \_\_\_\_\_